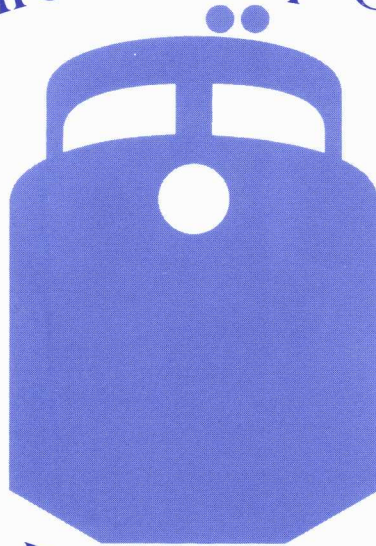


SUPPLEMENTAL SICKNESS BENEFIT PLAN

covering

Railroad Shop Craft



Employees

January 1, 2003

**SUPPLEMENTAL SICKNESS
BENEFIT PLAN
COVERING
RAILROAD SHOP CRAFT EMPLOYEES**

January 1, 2003

FOREWORD

This booklet provides a summary description of the provisions applicable to railroad shop craft employees set forth in the Supplemental Sickness Benefit Plan Covering Railroad Shop Craft and Signal Employees (the "Plan") as in effect on January 1, 2003, under collective bargaining agreements between railroads represented by the National Carriers' Conference Committee and employees represented by participating labor organizations.

Plan benefits are provided directly by the Plan itself on a self-funded basis. Plan benefits are not insured. The Plan is administered by Provident Life and Accident Insurance Company under an agreement between it and the National Carriers' Conference Committee.

HOW TO FILE A CLAIM

WITH THE PLAN

- (1) The Plan provides benefits for disability, beginning on the fifth consecutive day of disability. Therefore, you and your attending physician should fully complete all parts of "Notice of Disability" form F-68625 and send it to Provident as soon as you know your disability will last more than four consecutive days. Be sure your attending physician totally completes all items in Section IV of the form.
- (2) After you have been paid benefits for any disability during the first fourteen days, a "Supplemental Disability Claim" form F-68653, will be sent to you. Use the instructions provided on the form for completion.
- (3) Address all correspondence to:
Provident Life and Accident Insurance Company
Railroad Disability Claims
P. O. Box 180135
Chattanooga, TN 37401-7135

The Notice of Disability and Supplemental Disability Claim forms may be faxed to Provident. The fax number is **423-755-7857**.

If you have any questions about filing your claim, please call **1-800-542-4231**.

WITH THE U.S. RAILROAD RETIREMENT BOARD

- (1) Obtain Forms SI-1a and SI-1b, APPLICATION FOR SICKNESS BENEFITS AND STATEMENT OF SICKNESS from your employer, local Railroad Retirement Board office, or your union representative.
- (2) Have your doctor complete the Form SI-1b, STATEMENT OF SICKNESS. The form then is to be mailed on or before the 7th day following your first day of disability to the Bureau of Unemployment and Sickness Insurance, U.S. Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611. If you do not file within the 7 days, you may lose benefits.
- (3) After you've made proper application to the Railroad Retirement Board, you will be sent a new claim card (Form SI-3) to complete approximately every 14 days.

If you have any questions about filing for your Railroad Unemployment Insurance Act (RUIA) sickness benefits, contact your local Railroad Retirement Board office.

TABLE OF CONTENTS

	Page
SECTION I - SCHEDULE OF BENEFITS	1
SECTION II - ELIGIBILITY AND TERMINATION OF COVERAGE	
Eligibility	3
Termination of Coverage	6
SECTION III - BENEFIT PROVISIONS	
Benefits Payable	7
Amount of Benefits	9
Limitations and Exclusions	12
SECTION IV - CLAIMS PROVISIONS	13
SECTION V - ADDITIONAL INFORMATION	17
INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974	19

SECTION I - SCHEDULE OF BENEFITS

BENEFITS START: 5th Consecutive Day of Disability

MAXIMUM BENEFIT PERIOD: 12 Months

BASIC BENEFIT AMOUNT

For Periods of Disability Starting On or After
December 31, 1999

<u>Classification</u>	<u>For Covered Employees Who Have Not Received Maximum Sickness Benefits Under RUIA* in the Benefit Year Involved</u>		<u>For Covered Employees Who Have Received Maximum Sickness Benefits Under RUIA* in the Benefit Year Involved</u>	
	<u>Per Month</u>	<u>Per Day**</u>	<u>Per Month</u>	<u>Per Day**</u>
Class 1	\$ 1,101.50	\$ 36.72	\$ 2,102.00	\$ 70.07
Class 2	\$ 875.50	\$ 29.18	\$ 1,876.00	\$ 62.53
Class 3	\$ 679.50	\$ 22.65	\$ 1,680.00	\$ 56.00

***"RUIA" means the Railroad Unemployment Insurance Act.

**The rate "per day" shown above is the monthly rate divided by 30. It applies to disabilities lasting less than a month or to the extra days for disabilities lasting more than an exact number of months.

A Covered Employee during his initial RUIA registration period after all certification requirements are met will receive: (i) benefits for the 5th through the 14th day of disability at the applicable Basic Benefit Amount shown above, plus (ii) an amount equal to the total RUIA benefit that would have been payable for days of sickness except for RUIA's "waiting period" requirement. Benefit payments after that will be made monthly. A "month" is the period from a date in one month to the same date in the next month.

The Basic Benefit Amount shown above will be reduced so that it, together with other income benefits, will not be more than the Maximum Monthly Amount shown on Page 9. Other income benefits include those payable under RUIA and others listed on Pages 10 and 11.

SECTION I - SCHEDULE OF BENEFITS

You will be classified according to your rate of pay as shown below. The rate of pay:

- (a) includes any differentials regularly paid on the position plus any applicable cost of living allowance; and
- (b) is the rate of pay in effect as of December 31, 1999 for the position you last worked for pay before you became disabled.

<u>Classification</u>	<u>Rate of Pay as of December 31, 1999</u>
Class 1	\$17.77 or more per hour or \$3,092.00 or more per month
Class 2	\$14.53 or more but less than \$17.77 per hour, or \$2,528.00 or more but less than \$3,092.00 per month
Class 3	Less than \$14.53 per hour or \$2,528.00 per month.

The benefits shown in the booklet apply only to Periods of Disability which start on or after December 31, 1999. Contact Provident for information about benefits applicable to Periods of Disability which began prior to December 31, 1999.

SECTION II - ELIGIBILITY AND TERMINATION OF COVERAGE

Eligibility

Generally speaking, you are eligible for the coverage under this Plan while you are a "Covered Employee". To be a Covered Employee, you must fall within all three of the definitions set forth below. These are the definitions of "Employee," of "Qualified Employee" and of "Covered Employee."

"Employee" means an individual who:

- (1) is employed by a participating Railroad; and
- (2) is represented by the Brotherhood Railway Carmen - Division of TCU, International Association of Machinists and Aerospace Workers, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of Electrical Workers, National Conference of Firemen and Oilers, SEIU, Sheet Metal Workers' International Association, or another labor organization that participates in the Plan.

"Employee" also includes:

- (1) any other shop craft employee of a participating railroad if the railroad has made the required contribution to the Plan; and
- (2) any General Chairman or other full-time labor representative of shop craft employees if appropriate contributions are made to the Plan through a labor organization that participates in the Plan.

"Qualified Employee" means an Employee who:

- (1) has completed 30 days of continuous employment with the same participating railroad in a position represented by the Brotherhood Railway Carmen - Division of TCU, International Association of Machinists and Aerospace Workers, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of Electrical Workers, National Conference of Firemen and Oilers, SEIU, Sheet Metal Workers' International Association, or other labor organization that participates in the Plan, and is covered by its schedule agreement; and
- (2) is a Qualified Employee as that term is defined in Section 3 of the Railroad Unemployment Insurance Act as it now is or may later be amended.*

*Section 3 of RUIA (effective with base year 1999) states:

"An employee shall be a 'qualified employee' if the Board finds that his compensation with respect to the base year will have been not less than" \$2,425.00, and, "if such employee has had no compensation prior to such year, that he will have had compensation with respect to each of not less than five months in such year."

SECTION II - ELIGIBILITY AND TERMINATION OF COVERAGE

Eligibility

As used above, the term

- "base year" means the calendar year right before the start of a benefit year.
- "benefit year" means the twelve month period starting on July 1 of any year and ending on June 30 of the next year.

For 1999, in arriving at the \$2,425.00, only the first \$970.00 of pay in any month is counted. Compensation required to become a qualified employee under the RUIA in base year 2000 is not less than \$2,512.50, and only the first \$1,005.00 in any calendar month is counted. For base year 2001, total compensation of not less than \$2,625.00 is required, and only the first \$1,050.00 in any calendar month is counted. For base year 2002, total compensation of not less than \$2,750.00 is required, and only the first \$1,100.00 in any calendar month is counted. In base year 2003, total compensation of not less than \$2,800.00 is required, and only the first \$1,120.00 in any calendar month is counted.

An Employee will become a Qualified Employee on the first day of the calendar month after he completes all the steps listed above. Paragraph (1) above will not apply if an Employee who is furloughed by his employing railroad while covered under the Plan starts to work for another participating railroad while still covered.

"Covered Employee" means a Qualified Employee who, under a schedule agreement held by the Brotherhood Railway Carmen - Division of TCU, International Association of Machinists and Aerospace Workers, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of Electrical Workers, National Conference of Firemen and Oilers, SEIU, Sheet Metal Workers' International Association, or other participating labor organization, during any calendar month:

- (1) renders compensated service for a participating railroad; or
- (2) receives vacation pay from a participating railroad.

The Qualified Employee will be a Covered Employee in any month only if he rendered compensated service or received vacation pay during the prior month, except that if he:

- becomes disabled while a Covered Employee, and
- continues to be disabled,

he will be eligible for benefits for that disability on the date he becomes eligible to receive RUIA sickness benefits (i.e. July 1 of the next benefit year).

A Qualified Employee who is no longer a Covered Employee due to disability, furlough, leave of absence or discharge will again be a Covered Employee on the date he again begins to render compensated service for a participating railroad, provided that the Employee:

- (a) again begins to render compensated service within 12 calendar months after he is no longer a Covered Employee; and
- (b) renders compensated service under a schedule agreement held by the Brotherhood Railway Carmen - Division of TCU, International Association of Machinists and Aerospace Workers, International

SECTION II - ELIGIBILITY AND TERMINATION OF COVERAGE

Eligibility

Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of Electrical Workers, National Conference of Firemen and Oilers, SEIU, Sheet Metal Workers' International Association, or other participating labor organization.

Such Employee will be a Covered Employee for the rest of that calendar month.

A Qualified Employee who no longer renders compensated service may continue to be a Covered Employee if his employing railroad:

- (a) has to provide continued Plan benefits under compensation maintenance provisions of an agreement, a statute, or an order of a regulatory authority; and
- (b) keeps on making the same contributions to the Plan as if the Employee had rendered compensated service.

“Vacation Pay” received after an Employee is furloughed or ceases to maintain his employment relationship with a participating railroad will not continue Plan coverage.

SECTION II - ELIGIBILITY AND TERMINATION OF COVERAGE

Termination of Coverage

Your coverage will end on the sooner of:

- (a) the date the Plan ends;
- (b) the date your employing railroad or labor union no longer participates in the Plan;
- (c) the date the Plan is changed to end the coverage for the class of Employees of which you are a member; or
- (d) the date you are no longer a Covered Employee as defined on Pages 3, 4 and 5.

SECTION III - BENEFIT PROVISIONS

Benefits Payable

Benefits will be paid to you if you become Totally Disabled due to accident or sickness subject to the following:

- (1) The Period of Disability must start while you are a Covered Employee.
- (2) You must be certified Totally Disabled by a legally qualified physician.
- (3) Benefits are subject to all the terms, conditions, limitations and exclusions of the Plan.

Benefits start on the fifth (5th) consecutive day of Total Disability and will be paid monthly while a Period of Disability continues, except as provided on Page 1. Benefits for your Total Disability will end on the sooner of:

- (1) the date of your death;
- (2) the date you are no longer Totally Disabled; or
- (3) the date you have qualified for benefits for 12 months for your Total Disability, subject to item (j) under Limitations and Exclusions on Page 12.

“Totally Disabled” means that because of an accident or sickness:

- (1) a legally qualified physician is giving you care which is appropriate for the nature of the condition. (We will waive this requirement when continued care would be of no benefit to you); and
- (2) you are unable to perform:
 - (a) the duties of any job available to you in your craft; or
 - (b) the duties of the last job on which you worked before your disability began, if there is no job available to you in your craft.

“Period of Disability” means a period of time during which you are Totally Disabled from one or more causes. It starts the first full day of Total Disability after you stop rendering compensated service for your employing railroad. The Period of Disability ends on the sooner of:

- (1) the date you are no longer Totally Disabled; or
- (2) the date you go back to active work for any employer.

Successive Periods of Disability, whether or not your Total Disability started while you were a Covered Employee, will be considered one Period of Disability unless the later period:

- (1) is separated by a period of 90 consecutive calendar days during which you have worked on a full time basis; or
- (2) is due to an entirely unrelated cause and begins after you have returned to compensated service on a full time basis for at least one day.

SECTION III - BENEFIT PROVISIONS

Benefits Payable

Employees Paid in Canadian Funds - Dollars and cents for an employee paid by a railroad in Canadian funds will mean dollars and cents in Canadian funds. Payments made to these employees in United States funds under RUIA, other laws or private plans, will be converted to their Canadian equivalents when reductions are made as provided on Pages 10 and 11 if the value of the Canadian dollar varies by more than one cent from the value of the United States dollar.

Local Agreements - The benefits of Covered Employees represented by labor unions which have entered into local agreements with a participating railroad will be determined by the wage increases provided for under the national agreements with that union, if the railroad is required to make the same contribution for this Plan as that made by the railroads who are parties to the applicable national agreements.

SECTION III - BENEFIT PROVISIONS

Amount of Benefits

The amount of the monthly Plan benefit is the "Basic Benefit Amount" reduced by the "Reductions Applicable to Basic Benefit Amount" shown on Pages 10 and 11. The Basic Benefit Amount is figured according to "Part 1 - Basic Benefit Amount" below.

Part I-Basic Benefit Amount

The Basic Benefit Amounts shown in SECTION I - SCHEDULE OF BENEFITS are payable for Periods of Disability beginning on or after December 31, 1999, subject to the following:

1. The benefit rate will not change to the larger Basic Benefit Amount during any Period of Disability unless the Covered Employee uses all of his sickness benefits under RUIA during a benefit year. Likewise, if during any Period of Disability a new benefit year under RUIA starts and if the Covered Employee whose sickness benefits had been used up is again qualified for benefits, the benefit rate under this Plan will be changed to the lower Basic Benefit Amount.
2. If during any Period of Disability a new benefit year under RUIA starts and the Covered Employee whose benefits had been used up is not qualified and eligible to again receive sickness benefits under RUIA, the benefits under this Plan will be payable at the lower Basic Benefit Amount.

If RUIA is changed to increase the amount of sickness benefits payable, so that the sum of

- (a) 21.75 times the average daily sickness benefits for your class under RUIA, plus
- (b) the Basic Benefit Amount provided for you while receiving sickness benefits under RUIA

is more than the Maximum Monthly Amount shown below for your class, your Basic Benefit Amount will be reduced by an amount equal to the amount by which (a) plus (b) is more than the Maximum Monthly Amount for your class.

<u>Classification</u>	<u>Maximum Monthly Amounts</u>
Class 1	\$2,255.00
Class 2	\$2,009.00
Class 3	\$1,801.00

The Basic Benefit Amount payable under this Plan will also be reduced if it together with RUIA sickness benefits and other benefits shown in Part II is more than the Maximum Monthly Amount.

SECTION III - BENEFIT PROVISIONS

Amount of Benefits

Part II-Reductions Applicable to Basic Benefit Amount

A. If you are entitled to benefits under this Plan and receive any of the payments in (1), (2), (3) or (4) below for any part of the same period of time, your Basic Benefit Amount will be reduced. The Basic Benefit Amount will be reduced by the amount that the sum of

- (a) your Basic Benefit Amount; plus
- (b) other payments described in (1), (2), (3) or (4) below; plus
- (c) sickness benefits payable under RUIA;

is more than the Maximum Monthly Amount for your class as shown above. Other payments include:

- (1) annuity payments under the Railroad Retirement Act;
- (2) benefit payments under Title II of the Federal Social Security Act;
- (3) unemployment, maternity or sickness benefits under any unemployment, maternity or sickness compensation law other than RUIA; and
- (4) any other social insurance payments under any law.

If you do not receive sickness benefits under RUIA because of the provisions of Section 4 (a-1) (ii) of such Act*, the Basic Benefit Amount, reduced as provided above, will be paid. Item (k) under Limitations and Exclusions on Page 12 will not affect this provision.

*Section 4(a-1) (ii) of RUIA provides that you will be disqualified for benefits for any day for which you receive unemployment, maternity, or sickness payments under another law. If you receive payments as described in (1), (2), or (4) above, they will be offset against your payments under RUIA.

If you receive any payments described in (1), (2), (3), or (4) retroactively for a period for which benefits were paid under this Plan, the Plan may get back any excess benefits it has paid. The amount returned will be the difference between the benefits actually paid by the Plan and the lesser amount the Plan would have paid had the retroactive payments been made before the Plan's benefits were paid.

SECTION III - BENEFIT PROVISIONS

Amount of Benefits

- B. If you are eligible for benefits for a disability under any other plan, fund or arrangement by any name for which an employer has contributed, the Basic Benefit Amount will be reduced so that the sum of
- (a) the benefits for which you are eligible under other plans, funds or arrangements; plus
 - (b) your sickness benefits under RUIA; plus
 - (c) the Basic Benefit Amount;

will not be more than the Maximum Monthly Benefit Amount for your class as shown on Page 9. A plan, fund, or arrangement includes but is not limited to:

- (i) any group life policy providing installment payments for permanent total disability;
 - (ii) any group annuity contract;
 - (iii) any pension or retirement annuity plan; or
 - (iv) any group accident and health insurance paying loss of employment time benefits for disability.
 - (v) any employer sick leave or wage continuation program; or
 - (vi) any loan arrangement between employee and employer where the employer has a right of recovery.
- C. If you are disabled in an off-track vehicle accident covered under Article IV of the National Agreements of October 7, 1971, February 11, 1972, or May 12, 1972, as amended, or similar provisions, the Basic Benefit Amount will be reduced by the amount of any payment made to you by reason of that coverage for time loss for the same disability.

SECTION III - BENEFIT PROVISIONS

Limitations and Exclusions

No benefits will be paid under this Plan:

- (a) for the first four consecutive days of any Period of Disability;
- (b) for more than 12 months during any Period of Disability, subject to item (j) below;
- (c) for any period during which you are not certified as receiving treatment by a legally qualified physician;
- (d) for any day you render compensated service or otherwise work for pay;
- (e) for any disability which begins after you have started work on a regular or permanent basis for a participating railroad other than on a position coming under a schedule agreement held by a participating labor union (covered position) unless the last position on which you worked before the start of your disability was a covered position;
- (f) for any disability due to intentionally self-inflicted injury or sickness;
- (g) for any disability caused by you committing or attempting to commit an assault, battery or felony;
- (h) for any disability due to war or act of war (whether war is declared or not), insurrection or rebellion, or your participation in a riot or civil commotion;
- (i) for any disability starting after your employment with the participating railroad has ended. This exclusion will not apply if you are a Covered Employee and you leave the service of one participating railroad and, without missing more than one week of work, start work for another participating railroad on which you are already a Qualified Employee and for that reason end your employment with the former railroad;
- (j) for any period for which you receive vacation pay during a disability. (This Plan's disability benefit period will be extended beyond 12 months by the number of days for which benefits are denied because of vacation pay); or
- (k) for any period for which you are eligible to receive disability benefits under RUIA but are denied benefits for any reason including your failure to apply.

SECTION IV - CLAIMS PROVISIONS

Notice of Claim

Written notice of any injury or sickness must be given within 20 days of the start of disability or as soon after as reasonably possible. The notice must be given to Provident with information that identifies you as a Covered Employee. The appropriate claim form F68625 is included in this booklet. It may be used to report a claim under this Plan.

Claim Forms/Proof of Loss

After notice of claim is received, Provident will send you forms for the filing of proofs of loss. You will have met the proof of loss requirement if you and your doctor complete and send back the form Provident sends you, or give Provident an adequate written statement of the nature and extent of the loss, within ninety (90) days after the start of the Period of Disability for which benefits are claimed under the Plan. However, a claim will still be considered if it was not possible to furnish completed forms or other proof of loss within this 90-day period and the proof was furnished as soon as possible.

The proof must show that you have applied, and have furnished proofs when asked, for all disability benefits.

Time of Payment of Claims

Subject to written proof of Total Disability, all accrued benefits will be paid monthly. Any balance that has not been paid by the end of disability will be paid immediately upon receipt of due written proof.

Payment of Claims

All benefits will be paid to you, if living, otherwise to your estate. If benefits are payable:

- to your estate; or
- to a person who cannot legally give a valid release;

The Plan may pay up to \$1,000 to someone related to you by blood or marriage who Provident believes has a right to it. Neither the Plan nor Provident will be held responsible for any such payment made in good faith.

Physical Examination

Provident will have the right to examine you as often as it may reasonably require while a claim is pending. This will be at the expense of Provident.

SECTION IV - CLAIMS PROVISIONS

Response to Claim for Benefits

Provident will respond to your claim for benefits under the Plan within 45 days after it receives your claim. The period for response may be extended twice for periods no longer than 30 days each, if Provident notifies you of the need for extension before the date a decision must be made, and if the extension is needed because of matters beyond the control of the Plan. A notice of extension will explain the reason for the extension, the unresolved issues that prevent a decision from being made, and any additional information needed from you to make a decision on your claim. You will have 45 days from the time you receive a request for additional information to provide the information to Provident.

Appeals from Claim Denials

If your claim for benefits under the Plan is denied, you will receive an explanation written in a manner that can be understood by you giving: (i) reasons for the denial; (ii) specific reference to the Plan provisions on which the denial is based; (iii) a description of any additional material or information necessary for you to perfect the claim and an explanation of why such additional material or information is necessary; (iv) an explanation of the claims appeal procedures and the time limits associated with those procedures; (v) a copy of any internal rule, guideline, protocol, or similar criteria that Provident relied on in denying your claim, or a statement that a copy will be provided at no cost upon your request; and (vi) if your claim is denied because Provident determined that you were not receiving care which is appropriate for the nature of your condition (see definition of Totally Disabled on page 7), an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical condition, or a statement that such explanation will be provided to you at no charge upon request.

If you are not satisfied, or you do not agree with the reasons for the denial of your claim, you may appeal the decision to Provident. This appeal **must be in writing**, and can be made by you or your duly authorized representative. It must set out the reasons for the appeal and your dissatisfaction or disagreement. Any evidence or documentation to support your position should be submitted with your written appeal. Upon written request, you or your duly authorized representative may review the pertinent documents that pertain to your claim and its denial. Your appeal must be made within 60 days of the date of the letter denying the claim. written appeal.

SECTION IV - CLAIMS PROVISIONS

Provident will promptly review the claim and appeal. It will advise you of its decision with specific reference to the Plan provisions on which the decision is based. This written decision will be sent to you not later than 60 days after Provident's receipt of your written appeal.

If you are dissatisfied with Provident's determination upon your appeal, you or your representative may, within 60 days from the date of the written decision, refer the matter to the appropriate Disputes Committee.

A Disputes Committee made up of a panel of legally qualified physicians will at your request consider any dispute requiring medical judgment that involves:

- your eligibility for benefits under this Plan;
- determination of your physical condition;
- the cause of disability; or
- the date disability started.

The panel of physicians will include one selected by you or your union representative, one selected by your employing railroad, and one selected by Provident. In the event this panel is unable to reach a decision, they will select another legally qualified physician for decision. Such decision will be binding on all parties.

Another Disputes Committee will at your request consider any dispute involving application of the terms, conditions and provisions of the Plan between you and/or a participating railroad and/or Provident. This Committee will consist of two members appointed by National Carriers' Conference Committee, two members appointed by the labor union representing you, and (if the dispute involves Provident) two members appointed by Provident. If this Committee cannot reach a decision, the dispute will be submitted to arbitration.

All expenses in connection with the resolution of disputes will be paid by the person or persons incurring the expenses. Fees and expenses, however, of any physician selected by the panel of physicians or any neutral arbitrator selected by the parties as described above will be divided equally by the parties involved in the dispute. The compensation and expenses of any arbitrators appointed by the National Mediation Board shall be paid in accordance with existing law.

SECTION IV - CLAIMS PROVISIONS

Legal Actions

No action can be brought to receive a benefit under the Plan after 3 years from the date written proof of disability that meets Plan requirements is required.

Choice of Physician

You will have free choice of any physician practicing legally. Neither the Plan nor Provident will in any way disturb the physician-patient relationship.

SECTION V - ADDITIONAL INFORMATION

Federal Tax Information

Federal Law requires that benefit payments under this Plan be reported to the Internal Revenue Service. You will be furnished with a W-2 Form showing the amount of benefits, if any, you are paid each year.

Federal Law also requires that Railroad Retirement Tier I Taxes be withheld from Plan payments made during the first six (6) months following the month of disability. Your employer is required to pay a matching share of the Railroad Retirement Tax withheld.

Liability Cases

This Plan has been established and maintained in fulfillment of certain collective bargaining agreements. The agreements contain the following provision:

“In case of a disability for which the employee may have a right of recovery against either the employing railroad or a third party, or both, benefits will be paid under this Plan pending final resolution of the matter so that the employee will not be exclusively dependent upon his sickness benefits under the Railroad Unemployment Insurance Act. However, the parties hereto do not intend that benefits under this Plan will duplicate, in whole or in part, any amount recovered for loss of wages from either the employing railroad or a third party, and they intend that benefits paid under this Plan will satisfy any right of recovery for loss of wages against the employing railroad to the extent of the benefits so paid. Accordingly, benefits paid under this Plan will be offset against any right of recovery for loss of wages the employee may have against the employing railroad; the insuring agent [now the Plan], will be subrogated to any right of recovery for loss of wages the employee may have against any party other than the employing railroad;...”

Thus, if benefits are paid under this Plan, the benefit payments will be deducted from any payment made in any case involving a claim for loss of wages and in which the employer or a third party may be liable for the injury.

SECTION V - ADDITIONAL INFORMATION

Subrogation

In the event any benefits are paid to a Covered Employee under the Plan, the Plan shall be subrogated and succeed to the Covered Employee's right to receive a payment for loss of wages against any third party, other than the employing railroad. The Covered Employee shall pay over to the Plan all sums received, by suit, settlement or otherwise, on account of such loss of wages, but not to exceed the amount of benefits paid under the Plan. As a condition to paying any benefits under the Plan, Provident may require the Covered Employee to assign to the Plan any payment or right thereto from any third party other than the employing railroad to the extent that benefits are payable under the Plan.

For purposes of this provision, a payment which does not specify the matters covered by it shall be deemed to include a payment for loss of wages to the extent of any actual wage loss due to the disability involved. The Covered Employee: shall take such action; furnish such information and assistance; execute such assignments and other instruments as Provident may require to facilitate enforcement of the rights of the Plan; and shall take no action prejudicing the rights and interest of the Plan.

INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

The following information, together with the rest of this booklet, form the Summary Plan Description under the Employee Retirement Income Security Act of 1974, sometimes called "ERISA":

C Name of Plan:
Supplemental Sickness Benefit Plan Covering Railroad Shop Craft and Signal Employees

C Plan Identification Numbers:
Employer Identification No. (EIN): 52-1162946
Plan No.: 508

C Type of Administration: Trusteed and Self-Funded
The Plan is administered directly by the Plan Administrator, which has retained Provident Life and Accident Insurance Company to provide administrative services. All benefits are funded and paid directly by the Plan.
The Plan has given Provident, in connection with its review of claim determinations, the discretion, to be exercised in accordance with the Plan's terms, to construe disputed terms, limitations, and conditions of any document or instrument, including this booklet, under which the Plan is maintained.

C Plan Administrator:
National Carriers' Conference Committee
1901 L Street, N.W., Suite 500
Washington, D.C. 20036
Tel: 202/862-7200

The Plan Administrator has authority to control and manage the operation and administration of the Plan and is the agent for service of legal process. Service of process upon the Plan may also be made by serving its Trustee.

INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

C Trustee:

SunTrust Bank
919 East Main Street
7th Floor
Richmond, VA 23919
Tel: 804/782-7787

C Date of End of Plan Year:

Each plan year ends on December 31.

C Source of Plan Contributions:

The participating employers pay the entire cost of the Plan. There are no employee contributions. The cost of coverage for any covered General Chairman or other full-time labor representative will be paid through the labor union with which he or she is affiliated.

Contributions to the Plan are held in trust and invested by the Plan's Trustee until needed to pay Plan benefits.

C Claim Procedures:

See Pages 13, 14, 15 and 16 above.

C Plan Termination:

The right is reserved in the Plan for the Plan Administrator to amend or modify the Plan in whole or in part any time.

A participating railroad or labor union has the right to terminate its participation in the Plan at any time by delivering to the Plan Administrator written notice of such termination, except as such right may be limited by obligations undertaken in collective bargaining agreements.

INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a participant in the Plan you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants will be entitled to the following.

Receive Information About Your Plan and Benefits

- (i) You may examine without charge, at the Plan Administrator's office and at other locations, such as work sites and union halls, all Plan documents, including the administrative services contract with Provident, the collective bargaining agreements under which the Plan was established and is maintained, and copies of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pensions and Welfare Benefit Administration.
- (ii) You may obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including the administrative services contract with Provident, the collective bargaining agreements under which the Plan was established and is maintained, copies of the latest annual report (Form 5500 series), and an updated summary plan description. The Administrator may make a reasonable charge for the copies.
- (iii) You are entitled to receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon persons who are responsible for the operation of the employee benefit plan.

The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110.00 a day until you receive the material. This does not apply if the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied in whole or in part, you may pursue the remedies outlined in this booklet and then seek review of any decision by initiating an action in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.