



STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION



2800 BERLIN TURNPIKE, P.O. BOX 317546  
NEWINGTON, CONNECTICUT 06131-7546  
Phone: (203) 789-7191

HAND DELIVERED

June 6, 2003

Mr. Ted Grave  
Director, Supply Chain  
The United Illuminating Company  
157 Church Street  
P. O. Box 1564  
New Haven, CT 06506-0901

Dear Mr. Grave:

Subject: Transmission Line Agreement No. 5.15-99(03)  
Rail File No. (50) 7001-Misc-143

Enclosed are two fully executed originals of our mutual Transmission Line Agreement. Thank you for your patience and diligence while we worked toward finalizing the details of this agreement. We look forward to continuing our longstanding relationship with The United Illuminating Company.

Very truly yours,

Carl D. Rosa  
Transportation Director of Concessions,  
Operations and Revenue  
Bureau of Public Transportation

Enclosures

cc: Pat Massey, UI Real Estate Manager  
Richard J. Reed, VP Electric System

RECORDED IN FAIRFIELD LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN BRIDGEPORT LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN STRATFORD LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN MILFORD LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN ORANGE LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN WEST HAVEN LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_  
 RECORDED IN NEW HAVEN LAND RECORDS AT VOLUME \_\_\_\_\_, PAGE \_\_\_\_\_

Agreement No. 5.15-99(03)

TRANSMISSION LINE AGREEMENT  
 BETWEEN  
 STATE OF CONNECTICUT, DEPARTMENT OF TRANSPORTATION  
 AND  
 THE UNITED ILLUMINATING COMPANY  
 TO OPERATE A TRANSMISSION SYSTEM ON THE  
 NEW HAVEN LINE FROM FAIRFIELD TO NEW HAVEN  
 RAIL FILE NO. (50) 7001-MISC-143

THIS TRANSMISSION LINE AGREEMENT (the "Agreement") concluded at Newington, Connecticut, as of the 15<sup>th</sup> day of May, 2003, by and between the STATE OF CONNECTICUT, DEPARTMENT OF TRANSPORTATION, James F. Byrnes, Jr., Commissioner, acting herein by Harry P. Harris, Bureau Chief, Bureau of Public Transportation, duly authorized (the "State"), and THE UNITED ILLUMINATING COMPANY, a specially chartered Connecticut corporation, having its principal place of business at 157 Church Street, P.O. Box 1564, New Haven, Connecticut 06506-0901, acting herein by Anthony J. Vallillo, its President and Chief Operating Officer, hereunto duly authorized (the "Power Company").

WITNESSETH THAT:

WHEREAS, in accordance with the provisions of a certain Transmission Line Agreement dated January 13, 1966, between Richard Joyce Smith, William J. Kirk and Harry W. Dorigan, as

Trustees of the Property of the New York, New Haven and Hartford Railroad Company, Debtor in proceedings for reorganization under Section 77 of the Bankruptcy Act (hereinafter called "Railroad Company") and The United Illuminating Company (hereinafter called "Power Company"), Power Company has installed and is now operating an electric power transmission system on, above and under land used in the operation of a railroad from a point west of the Fairfield-Westport Town Line to a point in New Haven (hereinafter called the "New Haven Line"); and

RECITALS:

a. WHEREAS, The Trustees in Bankruptcy of The New York, New Haven, and Hartford Railroad Company entered into a Transmission Line Agreement with the Power Company dated January 13, 1966, for which a Notice of Lease was recorded in the City of New Haven Land Records at Volume 2302, Page 1; the Town of West Haven Land Records at Volume 480, Page 78; the Town of Orange Land Records at Volume 215, Page 61; the Town of Milford Land Records at Volume 566, Page 322; the Town of Stratford Land Records at Volume 422, Page 55; the City of Bridgeport Land Records at Volume 1332, Page 117; and the Town of Fairfield Land Records at Volume 497, Page 185 (the "Agreement").

b. The State is the present owner of the New Haven Rail Line which extends from the New York State border (Greenwich, Connecticut) to New Haven, Connecticut. The State acquired fee ownership by quitclaim deed on October 31, 1985 from Penn Central Corporation. Said deed was recorded in the Westport Land Records in Volume 763, Pages 247-250; Fairfield Land Records in Volume 756, Page 551; Bridgeport Land Records in Volume 1975, Pages 277-282; Stratford Land Records in Volume 621, Pages 65-70; Milford Land Records in Volume

1406, Pages 299-304; Orange Land Records in Volume 299, Pages 360-365; and New Haven Land Records in Volume 3371, Pages 335-340.

c. Metro-North Commuter Railroad Company is operating commuter railroad services over said land encumbered by the 1966 Agreement pursuant to the Amended & Restated Service Agreement among the State, Metropolitan Transportation Authority and Metro-North Commuter Railroad Company ("Metro-North") dated as of June 21, 1985 (the "Metro-North Service Agreement"), a true and complete copy of which has been previously delivered by the State to the Power Company. (Metro-North and any successors thereto in operating the railroad for the State are hereinafter referred to as the "State's Designee".) Pursuant to that agreement, Metro-North maintains and operates for the State the trackage and other railroad facilities located on the said land.

d. Pursuant to the 1966 Agreement, the Power Company constructed, maintains and operates a 115-KV electric transmission line that is, for the most part, located on the north side of the railroad tracks and a 115-KV electric transmission line that is located on the south side of the railroad tracks.

e. The original term of the 1966 Agreement ended on May 4, 1980, but the Power Company properly exercised its option to extend the term of the 1966 Agreement to May 4, 2000.

f. The State and the Power Company have agreed to amend and restate the 1966 Agreement to further extend its term to provide for an increase in the rent, to define a process for the determination of the rent at various future times, and to make other amendments.

g. The State has statutory authority to enter into this Agreement pursuant to Conn. Gen. Stat. §§ 13b-23 and 13b-36(b) which states in pertinent part that the Commissioner of

Transportation "... may sell, lease, convey or enter into any other arrangement for the use of such property for the operation of transportation services, or for such other purposes as the commissioner determines to be consistent with the best interests of the state."

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and to amend and restate the 1966 Agreement, the State and the Power Company agree as follows:

## ARTICLE I.

### GRANT

(a) The State grants to the Power Company the right to construct, repair, maintain, replace, reconstruct, relocate, inspect and remove from time to time and operate at its own expense and, except as otherwise specifically set forth herein, without expense to the State and the State's Designee, upon certain of the State's structures, both those now in existence and those which may hereafter be erected that are located within the limits of the Use Area that is hereinafter described in subparagraph (1) (the "State's Structures"), and on, above or under certain of its land used in the operation of its railroad, located as follows:

(1) between the Fairfield-Westport Town Line and New Haven, situated generally between catenary structures Nos. 647 and 1052, inclusive, which is 122,217± lineal feet, or 23.147 miles, between station 1913+83, which is approximately catenary 647, up to station 3136+00, which is approximately catenary 1052, of the monumented four-track center line of the New Haven Line, hereinafter referred to as the ("Use Area") a transmission system that is hereinafter described in Article II with the supporting structures and other appurtenances thereto (the

"Transmission System"), together with the right to erect such new structures on said land as may be necessary for the support thereof.

(b) The State grants to the Power Company the right to construct, repair, maintain, replace, reconstruct, relocate, inspect and remove from time to time and operate at its sole cost and expense, connecting lines (the "Connecting Lines") on, above or under the land owned and used by the State or State's Designee in the operation of its railroad from the Transmission System to the generating plants, stations, substations and lines which the Power Company owns or may hereafter construct along its Transmission System, and to generating plants, stations, substations and lines of other parties, together with the right to erect such new structures on said land as may be necessary for the support thereof.

(c) State or its Assignees further leases and grants to Power Company the right to continue to operate all of the connecting lines heretofore installed and presently being operated by Power Company and to install from time to time and operate additional or substituted connecting lines from the transmission system to facilities of Power Company now or hereafter to be located on the Bridgeport Harbor station property which was conveyed to it by deed of the Railroad Company, dated July 28, 1952 and recorded in the Bridgeport Land Records in Volume 1025, at Pages 219-228, on, above or under a certain parcel of land used by State or its Assignees in the operation of its or their railroad which is delineated and shown as "Easement Area" on a certain map, entitled "EASEMENT AREA FOR TRANSMISSION LINES OF THE UNITED ILLUMINATING COMPANY AND AREA TO BE RELEASED BY THE UNITED ILLUMINATING COMPANY - BRIDGEPORT, CONN. - DWG. NO. 410-11-4-9-63" (a duplicate of which was found in the Town Clerk of Bridgeport on February 5, 1964 in Volume 1280, Page 523 of the Bridgeport Land Records), said parcel of land being hereinafter called the

"easement area" and to construct, maintain, inspect, repair, replace and remove such poles, wires, cables, conduits, duct lines, pipes and other structures as may be necessary or appropriate in connection with such connecting lines, it being understood that such connecting lines, poles, wires, cables, conduits, duct lines, pipes and other structures hereafter installed shall be placed at such locations within the easement area as the State or State's Designee and Power Company mutually agree, and to construct, maintain, inspect, repair, relocate, reconstruct, replace and remove such supporting wires, guywires and anchors outside of the easement area as the parties may hereafter from time to time agree are advisable in connection with such Connecting Lines. (When the construction and installation of any Connecting Line is completed, it will thereafter be deemed to be part of the Transmission System for the purposes of this Agreement.)

## ARTICLE II.

### TRANSMISSION SYSTEM

(a) The Power Company's Transmission System shall include everything installed by Power Company above the bonnet of State's Catenary Structure and shall consist of not more than two three-phase sixty cycle circuits which may be constructed together or at different times, of such kinds and sizes of wire as may be found necessary or desirable by the Power Company's engineers and approved by the State and the State's Designee, operated at voltages up to one hundred fifteen thousand (115,000) volts, with the insulators, fastenings and other appurtenances necessary to attach them to the supporting structures, together with lightning shield wires, ground wires of suitable size, structure foundations, additions to State's Structures and material and communication facilities for the Power Company's operations. Exhibits A and B attached hereto are typical examples of Power Company's installations above the bonnet of the State's Catenary Structures). The Power Company's Transmission System shall further include all pre-existing,

freestanding 65-foot poles located adjacent to State's Catenary Structures as depicted in Exhibit C attached hereto.

(b) The Transmission System along the Use Area shall be carried upon suitable additions to or modifications of the State's Structures which now or which may hereafter carry the power distribution system and other appurtenances of the State or upon independent supporting structures, or the Transmission System may be placed underground, or partly on the State's Structures, partly on independent supporting structures and partly underground.

### ARTICLE III.

#### OBLIGATIONS OF POWER COMPANY

The Power Company agrees:

(a) To notify the State or State's Designee when it shall determine to proceed after the date hereof with the construction, replacement or reconstruction of the Transmission System, to erect any new supports required, and to make any necessary modifications of existing structures; to furnish all labor, material and tools necessary therefor, and to pay to the State's Designee the established rates customarily charged by the State's Designee for equipment which it may desire to rent from the State's Designee.

(b) That simultaneously with the execution and delivery of this Agreement, to pay to the State the net Base Rent for the period from May 5, 2000 (the commencement of the 30-Year Term) to November 4, 2002. Thereafter, all payments of Base Rent will be payable quarterly, in advance, on the fifth day of each succeeding August, November, February and May commencing with November 5, 2002. The Base Rent for each lease year of the 30-Year Term will be \$650,000.00, or \$162,500.00 per quarter subject to adjustments at the 6<sup>th</sup>, 11<sup>th</sup>, 16<sup>th</sup>, 21<sup>st</sup> and 26<sup>th</sup>



anniversaries of the commencement of the 30-Year Term, as further described in paragraph (d) of this Article III.

(c) That commencing on the first day of each renewal period of the Extended Term, as hereinafter defined in Article VII(b), the rent for the first year of each of such periods will be equal to the then fair market rent for the premises leased herein as determined by the appraisal process set forth in Article XV hereof subject to adjustments at the 6<sup>th</sup> and 11<sup>th</sup> anniversaries of the 15-Year Renewal Term, as further described in paragraph (d) of this Article III. (The rent as so determined by said appraisal process at the beginning of any renewal period is hereinafter also called the "Base Rent".)

(d) That the Base Rent for the 30-Year Term will be adjusted at the sixth (6<sup>th</sup>), eleventh (11<sup>th</sup>), sixteenth (16<sup>th</sup>), twenty-first (21<sup>st</sup>) and twenty-sixth (26<sup>th</sup>) anniversaries of the commencement of the 30-Year Term by multiplying said Base Rent by a fraction that has as its denominator the Consumer Price Index [(the "CPI")], for March, 2000, and as its numerator the CPI for the month of March of each of said adjustment years. In the event the Power Company does not reject one or both of its renewal options, the Base Rent for the appropriate renewal period will be adjusted at the sixth (6<sup>th</sup>) and eleventh (11<sup>th</sup>) anniversaries of the commencement of the relevant renewal period by multiplying the Base Rent for said renewal period by a fraction that has as its denominator the CPI for the month of March of the first year of the renewal period, and as its numerator the CPI for the month of March of said adjustment years.

(e) That the term "CPI" shall be deemed to mean the Consumer Price Index (1982-84=100) prepared by the Bureau of Labor Statistics of the United States Department of Labor for Northeast "A" for New York, New Jersey, Long Island, (New York, New Jersey, Connecticut) New York - Northeastern, New Jersey for All Urban Consumers. However, if at the time

required for the determination of the increase, if any, in the Base Rent, said index is no longer published or issued, the parties shall use such other index as is then generally recognized and accepted for similar determinations of purchasing power. If the parties are unable to agree on the selection of an index that would most accurately carry out the intent hereof, or if there is a dispute with respect to the computation of the increase, if any, to the Base Rent as herein provided, then the issue with respect thereto shall be determined by dispute resolution, as provided in Article XIV hereof.

(f) That the foregoing CPI adjustments to Base Rent during the 30-Year Term and/or during any renewal period shall produce an increase of at least three percent (3%) per year (not compounded) over the amount of said Base Rent at the beginning of the 30-Year Term or the applicable renewal period, but in no event will said increases be greater than six and one-half percent (6.5%) per year (not compounded) over the amount of said Base Rent at the beginning of the 30-Year Term or the applicable renewal period.

(g) To pay to the State an annual rent for any additional Connecting Lines that may be installed by the Power Company after the date of this Agreement, pursuant to the provisions of Section (b) of Article I of this Agreement, which annual rent will be equal to the product of the number of linear feet of such Connecting Lines (to the extent they are located on, above or under land of the State and as measured from the point of connection of the Connecting Line with the Transmission System to the boundary of the State's land) times (i) fifty percent (50%) of the number of dollars per annum per linear foot of conductor that the Power Company is obligated to pay as rent to the State under the provisions of Article III(b) of this Lease; and (ii) during any renewal period, if the Power Company has not exercised its right to reject the same, the annual fair market rent per linear foot of Connecting Line as determined under Article XV of this

Agreement; such rent to be paid quarterly and to begin on the date of the next regular quarterly payment of Basic Rent, the first installment of which will be prorated to the date when construction thereof starts.

(h) To make all payments under this Agreement to the State by check, made payable to "The Treasurer, State of Connecticut" and addressed to the "Accounts Receivable Unit, Connecticut Department of Transportation, P.O. Box 317546, Newington, Connecticut, 06131-7546".

(i) To reimburse the State or the State's Designee for any expenses which they may incur (1) in connection with the reconstruction, repair, maintenance, replacement, relocation or removal by the Power Company of any portion of the Transmission System, including but not limited to, the necessary protection, grounding railroad circuits, flagging trains, supervision and inspection; and (2) in connection with the maintenance and repair by the Power Company of the Transmission System and the additions to the present structures made necessary by the installation thereof; and (3) in connection with such special testing and inspecting thereof. It being understood that the State or the State's Designee shall not charge the Power Company for normal patrolling or inspecting the Transmission System performed in connection with patrolling or inspecting its own power system.

(j) To reimburse the State or the State's Designee for any expenses which they may incur or for any material they may supply in connection with (i) the installation, construction or reconstruction by the Power Company after the date hereof of any portion of the Transmission System, or (ii) changes in the supporting structures or in the telephone, fiber optics, signal, power or other facilities of the State which, in the opinion of the State, are necessary as a result of said future installation or construction or reconstruction by the Power Company after the date hereof

of the Transmission System within the Use Area. The Power Company agrees to (1) notify the State when it shall determine to proceed with any such future installation or construction or reconstruction of the Transmission System, to erect any new supports required, and/or to make any modifications of existing structures; (2) furnish all labor, material and tools necessary therefor; and (3) pay to the State or to the State's Designee the established rates customarily charged by them for equipment which the Power Company may desire to rent. It is understood that this Section (j) does not apply (i) to any such changes to the State's facilities that are not directly made necessary by said future installation, construction or reconstruction of the Transmission System by the Power Company after the date hereof, or (ii) to the replacement of the State's supporting structures or circuits made necessary by normal wear and tear or other causes not directly connected with the Transmission System; nor does it apply (except to the extent provided in the following Section (k)) to any such changes in the fiber optics signal system of the State within the Use Area made necessary as a result of the occupancy of railroad property by the Transmission System, unless made necessary by future modification in the design, construction or operation of the system of the Power Company or power systems connected therewith.

(k) To reimburse the State or the State's Designee for all reasonable and necessary costs which may result from any physical or operational changes to the Transmission System made after the date of this Agreement by the Power Company to protect the signal system of the State as provided in Article XI of this Agreement.

(l) To maintain and repair the Transmission System in a safe, prudent manner, at its sole cost and expense, and if the Power Company fails to do so, the same shall be considered a default under the provisions of Article XVI(a)(2) hereof. In the event the Power Company fails

to cure such default in accordance with the provisions of said subparagraph, the State may give written notice to the Power Company specifying such event or events of default and stating that the State or the State's Designee will, at the expense of the Power Company, cure such default by taking such appropriate actions as it deems reasonably necessary. Upon the completion of such work, the Power Company shall reimburse the State for its costs and expenses in connection therewith within thirty (30) days after receipt of a notice therefor from the State, together with reasonable documentation supporting its costs and expenses.

(m) To remove the Transmission System to the reasonable satisfaction of the State not later than twelve (12) months after the termination or expiration of this Agreement, provided, however, the ground wires, the structure foundations and the additions to the State's Structures, which are parts of the Transmission System and other parts of it that the State agrees may remain, shall be abandoned in place by the Power Company and will thereafter be the property of the State. If the Power Company is in default of performing these obligations under Article XVI hereof, the Power Company shall reimburse the State or State's Designee for the expense to remove the Transmission System from its structures if the Power Company fails to remove the same within said twelve (12) months after the termination of this Agreement.

(n) To permit the State to repair, maintain, replace, inspect and remove, from time to time, at its own expense, and without expense to the Power Company, the attachments and facilities of the State that are now attached to the Power Company's independent structures located within the Use Area pursuant to this Agreement (the "State's Facilities"). Notwithstanding any other provisions in this Agreement to the contrary, the obligations of the Power Company to repair, maintain, replace, relocate or remove any of its facilities that have State Facilities attached thereto will be subject to the prior obligation of the State or the State's

Designee to remove or relocate, as appropriate, its facilities at its expense, and any delay in the State's or the State's Designee's completion of its work will be deemed to extend the period of time within which the Power Company is obligated to complete its work by a period of time that is equal to the period of delay in the completion of the State's work. Any additions by the State or the State's Designee to the structures of the Power Company that are made after the date hereof shall only be made after a written request therefor is submitted to the Power Company and a permit therefor is issued by the Power Company to the State containing such terms, charges and conditions that are mutually acceptable to the State and the Power Company.

(o) To secure and maintain for the duration of this Agreement, including any supplements thereto and all renewals thereof, if any, with the State and the State's Designee being named additional insured parties, the following minimum insurance coverages regarding the Use Area at no cost to the State or the State's Designee. Each insurance policy shall state that the insurance company or companies shall agree to investigate and defend the insured against all claims for damages, even if groundless. In the event the Power Company secures excess/umbrella liability insurance to meet the minimum requirements specified in paragraphs (i) and/or (ii) below, the State and the State's Designee shall be named as additional insureds.

(i) Commercial General Liability Insurance, including Contractual Liability Insurance, providing for a total limit of not less than One Million Dollars (\$1,000,000) for all damages arising out of bodily injuries to or death of all persons in any one accident or occurrence, and for all damages arising out of injury to or destruction of property in any one accident or occurrence, and, subject to that limit per accident, a total (or aggregate) limit of Two Million Dollars (\$2,000,000) for all damages arising out of bodily injuries to or death of all

persons in all accidents or occurrences and out of injury to or destruction of property during the policy period.

(ii) The operation of all motor vehicles, including those hired or borrowed, used by the Power Company and its subcontractors in connection with this Agreement, shall be covered by automobile liability insurance providing for a total limit of One Million Dollars (\$1,000,000.00) for all damages arising out of bodily injuries to or death of all persons in any one accident or occurrence, and for all damages arising out of injury to or destruction of property in any one accident or occurrence. In cases where an insurance policy shows an aggregate limit as part of the automobile liability coverage, the aggregate limit must be at least Two Million Dollars (\$2,000,000.00).

(iii) With respect to all operations the Power Company performs under this Agreement, and all those performed for the Power Company by subcontractors, the Power Company and subcontractors shall carry workers' compensation insurance, and, as applicable, insurance required in accordance with the U.S. Longshore and Harbor Workers' Compensation Act, in accordance with the requirements of the laws of the State of Connecticut, and of the laws of the United States, respectively.

In conjunction with the above coverage(s), the Power Company agrees to furnish to the State on the form or forms supplied by the State, a Certificate of Insurance (CON-32), fully executed by an insurance company or companies satisfactory to the State, for the insurance policy or policies required hereinabove, which policy or policies shall be in accordance with the terms of said Certificate of Insurance. For the workers' compensation insurance and, as applicable, U.S.

Longshore and Harbor Workers' Compensation Act coverage, the policy number(s) and term of the policy(ies) shall be indicated on the CON-32.

While the Transmission System is being constructed, altered, relocated, maintained, replaced, repaired, reconstructed or removed from the Use Area, the Power Company shall carry, with respect to the operations it or its subcontractors perform under this Agreement, Railroad Protective Liability Insurance for and on behalf of the State's Designee as named insured, and the State named as additional insured, providing for coverage limits of (1) not less than Two Million Dollars (\$2,000,000.00) for all damages arising out of any one accident or occurrence, in connection with bodily injury or death and/or injury to or destruction of property; and (2) subject to this limit per accident, a total (or aggregate) limit of Six Million Dollars (\$6,000,000.00) for all injuries to persons or property during the policy period. The Power Company shall obtain and submit the minimum coverage indicated above to the State prior to the commencement of such installation, construction, alteration, replacement, repair, relocation, reconstruction, maintenance and/or removal of its facilities from the right-of-way and shall maintain said coverage until such work and/or activities are completed. Proof of such insurance shall be provided on a CON-32 form.

The Power Company shall have the right to self-insure portions of the foregoing insurance requirements up to those limits that it determines, from time to time, to be acceptable to it, provided that said self-insurance limits apply to substantially all properties then owned or leased by the Power Company.

#### ARTICLE IV.

#### OBLIGATIONS OF THE STATE

The State agrees:



(a) To permit (i) the construction, installing, repairing, maintaining, replacing, reconstructing, relocating, inspecting and removing of any portions of the Transmission System undertaken from time to time by the Power Company to proceed as rapidly as conditions will permit, including without limit, arranging to have the State's Designee cooperate in such efforts, and (ii) the Power Company to patrol the Transmission System.

(b) To use its best endeavors to allow the proper and uninterrupted service of the Transmission System at all times consistent with the operating requirements of the railroad, it being understood that any interruption of such service may seriously affect the Power Company's ability to furnish electric current to its customers and that it is of the utmost importance to the Power Company that any interruptions or outages be minimized so far as possible.

(c) To permit representatives of the Power Company, while accompanied by a representative of the State or State's Designee, at mutually convenient times, once during the spring and once during the fall of each year, to visually inspect the insulators upon those portions of the Transmission System carried upon the State's Structures; provided, however, that the State or State's Designee shall not be responsible for the wages or salary of the Power Company's representative(s); and provided further that the Power Company agrees to indemnify and hold harmless the State from and against any and all claims, demands, suits, or judgments, on account of injury to or death of any representative of the Power Company during or resulting from any of such inspections.

(d) To permit representatives of the Power Company, but without expenses to the State or State's Designee and subject to approval of the State or State's Designee as to time and method, to patrol, inspect, test and repair those portions of the Transmission System not carried upon the State's Structures, and any independent structures upon which such portions may be

carried, and for the purpose of such patrolling, inspecting, testing and repairing, representatives of the Power Company shall have the right to pass and repass over and upon property of the State; provided however, that the Power Company agrees to indemnify and hold harmless the State and State's Designee from and against any and all claims, demands, suits or judgments, on account of injury to or death of any representative of the Power Company during or resulting from such patrolling, inspecting, testing and repairing.

(e) To keep in repair and in good condition during the continuance of this Agreement the State's Structures which shall support the Transmission System, at no expense to the Power Company, except the additions to the State's Structures made necessary by the installation of the Transmission System and except such new structures as may be erected by the Power Company and used solely for the support of the Transmission System.

(f) To permit the removal of the Transmission System, except ground wires, from the State's Structures and the removal of independent structures erected by the Power Company if such removal takes place not later than twelve (12) months after termination or expiration of this Agreement.

(g) To hereafter not grant permission or rights to any third person, firm or corporation to perform any acts or to construct or place any structures over, under or upon the Use Area until it shall have first notified and received the written approval of the Power Company, which approval shall not be withheld unless, in the reasonable opinion of the Power Company, the exercise of any such permission or rights will endanger or interfere with the construction, reconstruction, operation or maintenance of any part of the Transmission System, whether or not erected or constructed at the time such approval is requested.

(h) To hereafter not grant permission or rights to any third person, firm or corporation that will endanger or unduly interfere with the construction, reconstruction, operation or maintenance of any part of the State's transportation rail system or the Transmission System.

#### ARTICLE V.

#### APPROVAL

(a) The design, specifications, construction and installation of future modifications to the Transmission System, any Connecting Lines and the supporting structures; modification of existing supporting structures hereafter used or made; all apparatus, including circuit breakers, switches, transformers and other facilities used or to be used in making additional connections referred to in Article I; all future changes in the Transmission System, its supporting structures and connecting apparatus; and the location of connections and of any independent supporting structures, shall be subject to approval by the State or State's Designee in all respects prior to installation and construction of same.

(b) Approval of the State or State's Designee shall not be required with respect to any such apparatus installed, or any such changes in the Transmission System made, on property other than property used in the operation of the railroad except with respect to such apparatus or changes as may affect fault currents or protection of the Transmission System or the telephone, fiber optics, signal, power or other facilities of the State.

(c) All work shall be done without material interference with railroad operations and by such methods and at such times as may be mutually and reasonably agreed upon by the parties hereto. Before any work is undertaken by the Power Company, it shall submit to and secure the approval of the State or State's Designee of the plan and method of doing the work to insure the safety of the State's Structures and operations.

(d) Wherever in this Agreement reference is made to or provision for the approval by the State or State's Designee of the Transmission System or any part thereof or any other approval by the State or State's Designee is required, it is understood and agreed that such approval shall not be unreasonably withheld, but it is agreed that the safety of train operation is paramount and that the State or State's Designee shall be the sole judge with reference to all construction procedures applicable to work by the Power Company under this Agreement. When approval is given by the State or State's Designee or by a person designated from time to time by the State or State's Designee, in writing, to the Power Company as its representative, such approval shall be final and conclusive upon the State or State's Designee.

#### ARTICLE VI.

##### EXPENSES

(a) When referring to expenses incurred by the State or the State's Designee, "expenses" shall mean all direct expenses incurred by the State or the State's Designee, including amounts paid to subcontractors, materials and labor costs, expenses for supervision and inspection to the extent hereinbefore provided, train protection, de-energizing and grounding of railroad circuits, field or office engineering work, use of trains, tools and other equipment and facilities, transportation of men and equipment, and the overheads covering expenses not directly allowable i.e., Railroad Retirement and Unemployment Taxes, Vacation Allowance, Holiday Allowance, Health Welfare Allowance, 10% Supervision of Labor, including vacation and holidays, and 15% of materials to cover handling, provided however, such costs, expenses and overheads will be substantially the same as those charged from time to time by the State or the State's Designee to other parties under similar circumstances.

(b) The State or the State's Designee shall render a statement of the expenses incurred for each month in which such expenses are incurred, which shall be payable by the Power Company not later than fifteen (15) business days after receipt of such statement by the Power Company.

(c) The State or the State's Designee agrees to consult, advise and provide information to the Power Company before incurring any substantial expense which may be chargeable to the Power Company, and before making any substantial changes under the provisions of the Agreement which will necessitate changes in the Transmission System at the expense of the Power Company.

## ARTICLE VII.

### TERM

(a) The term of this Agreement is hereby extended for an additional period of thirty (30) years from May 5, 2000 to May 4, 2030 (the "30-Year Term").

(b) In addition, the term of this Agreement will be automatically extended for up to two (2) successive renewal periods of fifteen (15) years each (the "Extended Term"), unless, at least eighteen (18) months prior to the expiration of the 30-Year Term, or any successive renewal period thereof, the Power Company shall have given to the State written notice of its election to reject the pending automatic renewal of this Agreement, in which case, upon the expiration of the 30-Year Term or the relevant successive renewal period, the term of this Agreement shall cease and terminate. If the Power Company does not give such notice of rejection, then, upon the expiration of the 30-Year Term or the initial renewal period, the term of this Agreement shall be automatically renewed and extended for a further term of fifteen (15) years commencing upon the expiration of the 30-Year Term or the then expiring renewal period, under the same covenants,

agreements, terms, conditions, limitations, exceptions and reservations contained in this Agreement, except as to rent which will be governed by the relevant provisions of Article III hereof.

#### ARTICLE VIII.

##### TITLE

Title to the Transmission System and to the Connecting Lines, if any, shall be and remain in the name of the Power Company. Title to additions to the State's Structures and to independent structures erected by the Power Company on the property of the State shall be and remain in the name of the Power Company, but at the end or termination of this Agreement, title to such additions and structures shall pass to the State with the State's written permission and acceptance. Title to the State's Facilities shall be and always remain in the name of the State.

#### ARTICLE IX.

##### WAIVER AND INDEMNITY

It is understood between the parties hereto that the operation of the railroad by the State or State's Designee in close proximity to the Transmission System involves some risk to the Transmission System and the Power Company hereby releases and waives any right to ask for, demand or receive damages from the State or the State's Designee for or on account of loss of or injury to the Transmission System, including the loss of or interference with service, and whether attributable to the fault, or negligence of the State or State's Designee or its representatives, or otherwise.

Power Company agrees to indemnify, protect and save harmless the State or State's Designee from and against all cost or expense resulting from any and all loss or damage to the property of the State or State's Designee and from any and all loss of life or property, or injury or

damage to the person or property of any third person, firm or corporation (including the officers, agents and employees of either party hereto), and from any and all claims, demands or actions for such loss, injury or damage directly or indirectly caused by the presence or use or the construction, installation, maintenance, removal, change or relocation and subsequent removal of the Transmission System and appurtenances thereto, excepting such loss, damage or injury as shall be due solely to the negligence of the agents or servants of the State or State's Designee.

#### ARTICLE X.

##### FUTURE CHANGES

(a) The Power Company agrees to make, or cause to be made, such changes in its Transmission System, including without limit, the additions to the State's Structures, and the independent structures erected by Power Company, as may be required from time to time to conform to changes in railroad facilities with which the location of the Transmission System may interfere, provided that (i) such changes are in compliance with the applicable provisions of the National Electric Safety Code and (ii) except as hereafter set forth in subparagraph (b), such changes shall be made without cost or expense to the Power Company, including without limit, the Power Company shall not be liable for any cost or expense of such changes resulting from the desire or need of the State to repair, replace or reconstruct the State's Structures; place or permit others to place additional wires on the State's Structures or in any other way alter or increase its use of the State's Structures; even though any of the foregoing might have been more easily and economically accomplished were it not for the existence of the Power Company's Transmission System.

(b) Notwithstanding the provisions of the foregoing subparagraph (a), the Power Company and the State will share on an equal basis the costs for one relocation of the Transmis-

sion System at the Devon Bridge over the Housatonic River, the new Fairfield Railroad Station at Black Rock, and the new railroad station in Orange/West Haven, provided (i) the State will provide, on its property, all temporary rights and locations for the Power Company's overhead and underground electric facilities during each relocation of the Transmission System; (ii) the State will be solely responsible for the costs of relocating, rebuilding or restoring railroad facilities without any sharing or reimbursement from the Power Company; and (iii) the cost to be shared by the Power Company and State will be net of any federal reimbursement or assistance.

(c) It is understood and agreed that the Power Company, with the approval of the State, may from time to time make such changes in the Transmission System as it may deem necessary or advisable in view of changes or improvements in the methods or technique of transmitting electrical current or to keep abreast of changes in the art, provided changes do not exceed the voltages permitted from time to time under Articles I and II of this Agreement.

(d) If the State should hereafter propose to permanently abandon the use of its structures in the Use Area for the purpose of supporting any wires other than the Transmission System, it shall give the Power Company at least two (2) years prior written notice of such proposed abandonment, which written notice shall state the date of such proposed abandonment.

In the event of such abandonment, from and after the date stated in such written notice, if this Agreement shall then be in effect, the Power Company shall cease to have the right to use, for the support of Power Company's transmission system, the structures of the State theretofore used by the State or State's Designee in the operation of its railroad provided, however, that if and so long as the continued use of such structures by the Power Company shall not interfere with the operations of the railroad, the Power Company may continue to use such structures upon



the assumption by the Power Company or as otherwise agreed, to of all of the duties theretofore imposed on the State with respect to repairing and keeping in good condition such structures.

In the event of such abandonment, if this Agreement shall then be in effect, all of the rights, powers and privileges granted to the Power Company under the provisions of this Agreement (including, but without limitation, the right to erect new supporting structures for the Transmission System and the right to place the Transmission System underground) shall continue in full force and effect, and thereupon;

(1) Rent payable under the provisions of this Agreement shall be revised to such lesser amount as shall be agreed upon by the parties hereto based upon the changed use of the property of the State by the Power Company or upon the changed obligations and duties of the respective parties hereunder, or both, as the case may be;

(2) The State and State's Designee shall be released from its obligations under the provisions of Sections (c) and (e) of Article IV and said provisions shall be of no further force or effect;

(3) The Power Company shall have the right, but without, expense to the State and State's Designee, and subject to the approval of the State as to time and method, to patrol, inspect, test and repair the Transmission System, the structures, if any, which it may have erected or may erect to support such system and the State's Structures, if at that time the Power Company has the right to continue to use such structures, and for the purpose of such patrolling, inspecting, testing and repairing,

representatives of the Power Company shall have the right to pass and repass over and upon property of the State;

(4) The Power Company, without expense to the State and State's Designee, will remove the Transmission System (except for buried ground wires and foundations and those parts thereof which the State agrees need not be removed) from the structures of the State when and if the Power Company, under the provisions of this Section (d), shall cease to have the right to use such State's Structures;

(5) Such other provisions of this Agreement, including, but not limited to, Article IX, as may be inconsistent with the provisions of this Section (d), shall be modified and revised insofar as may be necessary in such manner as may be agreed upon by the parties hereto;

(6) If the parties shall not agree as to the amount of rent payable by the Power Company under the provisions of the foregoing Paragraph (1) or as to any other matter arising under the provisions of this Section (d), the parties shall attempt to resolve such matters in accordance with the provisions of Article XIV;

(7) If the Power Company should hereafter propose to permanently abandon any of its independent structures on which the State's Facilities are located, it shall give the State at least two (2) years prior written notice of such proposed abandonment stating the date of such proposed abandonment, which shall not be prior to May 4, 2030.

(e) In the event of such abandonment, from and after the date stated in such written notice, the State shall cease any longer to have the right to use the Power Company's independent structures for the support of the State's Facilities; provided, however, that (i) if this Lease shall then be in effect and (ii) if and so long as the continued use of the Power Company's independent structures by the State shall not interfere with the operation of the Transmission Line, the State may continue to use such independent structures upon the assumption by it, or as otherwise agreed to, of all of the duties of the Power Company to repair, keep such structures in good condition and remove the same upon the termination of this Agreement.

#### ARTICLE XI.

##### INDUCTIVE INTERFERENCE AND HAZARD TO RAILROAD FACILITIES

The Power Company agrees that the telephone, telegraph, fiber optics, power or other facilities of the State and State's Designee within the Use Area shall be protected against inductive interference or physical hazard and damage, or both, brought about by physical or operational changes to the Transmission System made after the date of this Agreement, and further agrees that, after consultation between the State, the State's Designee and Power Company, such changes shall be made, at the expense of the Power Company, in the Transmission System including additional transposition, or in said facilities as may be necessary to eliminate any such inductive effects or physical hazard and damage or both to said facilities.

#### ARTICLE XII.

##### COOPERATION

The State agrees that its engineers and the State's Designee will cooperate with such engineers and contractors that the Power Company may from time to time employ in connection with the installation, construction, maintenance, repair or reconstruction of the Transmission

System, and any Connecting Lines, so as to secure the best and most satisfactory results for both parties hereto.

### ARTICLE XIII.

#### ASSIGNMENT

The Power Company shall not assign this Agreement without the written consent of the State, provided that this shall not be construed to prevent the Power Company from making a general mortgage in the usual form of any or all of its property, rights, privileges and franchises, including this Agreement, or from entering into any merger or consolidation, or from selling all or substantially all of its transmission assets to another entity, and in case of foreclosure of such mortgage or of any such merger, consolidation or sale, the rights and obligations of the Power Company hereunder shall pass to and be acquired and assumed by the foreclosing mortgagee, or the merging, consolidated or purchasing company, as the case may be, provided all governmental approvals necessary for such merger, consolidation or purchase have been obtained, including without limit, any such necessary approvals from the Department of Public Utility Control and/or the Federal Energy Regulatory Commission.

The State and its successors in interest shall have the right to assign this Agreement as part of a sale by the State of the Use Area, subject to all of the obligations, duties, agreements and approvals of the State hereunder.

### ARTICLE XIV.

#### DISPUTE RESOLUTION

The State, the State's Designee and the Power Company shall attempt to resolve all controversies or disputes arising under this Agreement through negotiations pursued diligently in good faith. As part of this obligation, each party will submit each controversy or dispute, except

on-site construction disputes that require a prompt resolution, to a member of each party's management team (defined to be at the Manager's level or above for the Power Company and at the Rail Administrator level or above for the State and the State's Designee).

## ARTICLE XV.

### APPRAISAL

The appraisal process to determine the Base Rent for renewal periods shall be started at least eighteen (18) months prior to the anticipated effective date of such renewal.

The appraisal process will be conducted as follows:

(a) The Power Company will designate an appraiser and the State will designate an appraiser. Each appraiser acting independently of the other will express, in writing, his opinion of the fair market rent and the State and the Power Company will exchange copies of the appraisals. If the appraisers determine values that are within ten percent (10%) of each other, the average of the two appraisals will be deemed to be the fair market rent. If the appraisals differ by more than ten percent (10%), the Power Company and the State will try to resolve the divergence of opinion by mutual negotiations conducted in good faith.

(b) All appraisers must be State certified general appraisers, must be recognized as competent in the field as an appraiser for the purpose of establishing such values and must be either on the State or Power Company lists of approved appraisers or otherwise acceptable to both the Power Company and the State.

(c) For the purposes of the appraisals, the premises leased herein shall be deemed to consist of two air rights corridors, one of which is located on the north side of the railroad tracks, and the other of which is located on the south side of the railroad tracks. The width and location

of each of these corridors for purposes of the appraisals will be as shown on Power Company drawings.

(d) Each appraisal shall determine a fee value for the land of the State that is included in this Agreement, based on the assumption that the abutting zoning also applies to said State land. A percentage, to be determined by the appraiser, will be applied to the resulting fee value to reflect the current value of the rights in the two corridors. An appropriate rate of return, also to be determined by the appraiser, will then be applied to said current value of the rights to then determine the annual fair market rent.

(e) Each appraisal shall also express an annual fair market rent, as so determined, per linear foot of Connecting Line, which will be used for the purpose of any rent computations under subparagraph (g) of Article III of this Agreement.

(f) Each appraiser shall be given the same scope of work and the requisite maps, drawings and other pertinent information or data. It is contemplated that each appraiser will complete his work within six (6) months after the receipt of the foregoing.

## ARTICLE XVI.

### DEFAULTS

(a) Each of the following shall be deemed to be a default by the Power Company hereunder:

(1) The Power Company's failure to make due and punctual payment of any rents payable under this Agreement when and as the same shall become due and payable, and such default in payment continues for a period of thirty (30) days after written notice thereof from the State to the Power Company; or

(2) The Power Company's failure in the performance of or compliance with any of its obligations under the covenants, agreements, terms, or provisions contained in this Agreement, other than those referred to in the foregoing subsection (1), and such default continues for a period of ninety (90) days after written notice thereof from the State to the Power Company, except that in connection with a default that is not susceptible of being cured with due diligence within ninety (90) days, the time the Power Company has to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided the Power Company commences promptly and proceeds diligently to cure the same; and

(3) The issuance of a lien (other than the lien of any mortgage as referred to in Article XIII hereof) or attachment, arising out of acts of the Power Company, against the State to the extent the same encumbers the premises leased herein, unless (i) the same shall be vacated, bonded or otherwise discharged within one hundred eighty (180) days from the date the Power Company receives notice thereof or (ii) within said period of one hundred eighty (180) days, the Power Company commences an action to vacate or remove the same and thereafter proceeds diligently with said action.

Then and in any such event, the State may, while such default is continuing, give written notice to the Power Company specifying such event or events of default and stating that this Agreement shall expire and

terminate on the date specified in such notice, which date shall be not less than ninety (90) days after the giving of such notice, unless the Power Company has cured such default or defaults prior to the date specified in such notice, and this Agreement shall expire and terminate.

(b) If the State defaults in the performance of or compliance with any of its obligations under the covenants, agreements, terms or provisions contained in this Agreement and such default continues for a period of ninety (90) days after written notice thereof from the Power Company to the State, except that in connection with a default that is not susceptible of being cured with due diligence within ninety (90) days, the time the State has to cure the same shall be extended for such time as may be necessary to cure the same with all due diligence, provided the State commences promptly and proceeds diligently to cure the same. If any default is not so cured, the Power Company may, while such default is continuing, give written notice to the State specifying such event or events of default and stating that the Power Company will, at the expense of the State, cure such default by taking such appropriate actions as it deems reasonably necessary. Upon the completion of such work, the State shall reimburse the Power Company for its costs and expenses in connection thereof within thirty (30) days after receipt of a notice therefor from the Power Company, together with reasonable documentation supporting its costs and expenses. In the event of a dispute regarding such reimbursement, the parties shall negotiate diligently in good faith pursuant to Article XIV.

## ARTICLE XVII.

### NOTICE

It is mutually understood and agreed by the parties hereto that any official notice from one such party to the other such party, in order for such notice to be binding thereon, shall:



(a) be in writing addressed to:

(1) when the State is to receive such notice -

Commissioner of Transportation  
Connecticut Department of Transportation  
P. O. Box 317546  
Newington, Connecticut 06131-7546;

(2) when the Power Company is to receive such notice -

The United Illuminating Company  
157 Church Street  
P.O. Box 1564  
New Haven, Connecticut 06506-0901  
Attention: Its President and Chief Operating Officer

(b) be delivered in person or be mailed United States Postal Service "Certified Mail - Return Receipt Requested" to the address recited herein as being the address of the party to receive such notice, at which time said notice shall be deemed to have been received; and

(c) contain complete and accurate information in sufficient detail to properly and adequately identify and describe the subject matter thereof.

The term "official notice", as used herein, shall be construed to include, but not be limited to, any request, demand, authorization, direction, waiver, and/or consent of the party as well as any document(s) provided, permitted, or required for the making or ratification of any change, revision, addition to or deletion from this Lease.

Further, it is understood and agreed that nothing hereinabove contained shall preclude the parties hereto from subsequently agreeing, in writing, to designate alternate persons (by name, title, and affiliation) to which such notice(s) is(are) to be addressed; alternate means of conveying such notice(s) to the particular party; and/or alternate locations to which the delivery of such notice(s) is(are) to be made, provided such subsequent agreement(s) is(are) concluded pursuant hereto.

ARTICLE XVIII.

QUIET ENJOYMENT

If and so long as the Power Company pays the rent due hereunder and performs and observes all of the agreements and provisions hereof that are its obligations, the Power Company shall quietly enjoy the premises and rights leased herein during the term of this Agreement.

ARTICLE XIX.

MISCELLANEOUS

(a) The parties acknowledge that the State's Designee is not a party to this Agreement, but as long as it does not conflict with the terms and conditions of the Metro-North Service Agreement, the State shall use its best efforts to cause the State's Designee to comply with all obligations imposed on it by the terms and conditions of this Agreement, including without limit, the provisions of Article XIV as long as such provisions are in compliance with the Metro-North Service Agreement.

(b) This Agreement shall inure to and be binding upon the parties hereto and their successors and assigns, but subject to the provisions of Article XIII hereof.

(c) The Power Company shall record within one (1) year and give State documentation of recording this Agreement, including any supplements hereto and all renewals thereof, if any, in the land records of Fairfield, Bridgeport, Stratford, Milford, Orange, West Haven and New Haven, at no expense to the State. The recording of this Agreement by the Power Company shall be done as soon as practical (but in no event later than one year from the date of completion by the State of the following) upon delivery by the State to the Power Company of (i) this Agreement duly executed in quadruplicate by the State and (ii) written notification by the State that the Agreement has been duly executed and approved on behalf of

the State. Failure of the Power Company to record this Agreement as specified herein, shall be deemed to be a default hereunder and the rights of the State will be as set forth in Article XVI hereof.

(d) It is further mutually understood and agreed by the parties hereto that this Agreement shall not be effective until said Agreement has been approved by the Attorney General of the State of Connecticut.

(e) The Agreement, when fully executed by both parties, shall constitute the entire agreement between the parties hereto and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, including without limit, the 1966 Agreement; and no agreement or understanding varying or extending the same shall be binding upon either party hereto unless in writing signed by both parties hereto; and nothing contained in the terms or provisions of this Agreement shall be construed as waiving any of the rights of the State under the laws of the State of Connecticut.

(f) If any of the provisions of this Agreement, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision or provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every other provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(g) This Agreement shall be governed in all respects by the laws of the State of Connecticut.

(h) This Agreement will be executed in four or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same Agreement.

(i) The parties hereto agree that each has played a material role in the negotiation and drafting of this Agreement and that the document shall not be construed against any party merely because of that party's role in the drafting thereof.

## ARTICLE XX.

### POWER COMPANY TERMINATION RIGHTS

(a) The Power Company shall have the right to terminate this Agreement during the Extended Term only, if the option to reject shall not have been exercised, at any time on at least three (3) year's prior written notice to the State.

(b) The Power Company shall have the right, exercisable during the 30-Year Term and during the Extended Term, if the option to reject shall not have been exercised, at any time and from time to time on at least three (3) year's prior written notice to the State, to abandon, with respect to all or any portion of the State's Structures or land, or both, situated within the Use Area, all or any portion of the rights leased and granted to the Power Company in Article 1. In the event all of the rights leased and granted herein to the Power Company are so abandoned with respect to all the State's Structures and land that are situated within the limits designated in such notice, the annual rent payable hereunder shall be reduced by the product of the rent per linear foot then payable hereunder and the number of linear feet between such limits, such reduced rent to commence with the first quarterly payment after such abandonment and the completion of the removal of the Power Company's Transmission System as set forth below. In the event of the abandonment of a portion of such rights only with respect to designated structures or land, or

both, of the State, the rent payable thereafter under the provisions of this Agreement shall be revised to an amount to be agreed upon by the parties hereto, taking into consideration the rights so abandoned by the Power Company. If the parties shall not agree as to the amount of rent payable by the Power Company under the provisions of this Section (b), the parties shall attempt to resolve such matters in accordance with the provisions of Article XIV. To the extent that such partial abandonment by the Power Company involves an abandonment of its right to use, for its Transmission System, any portion or portions of the structures or land, or both, of the State, the Power Company shall thereupon remove from such State Structures or land, or both, as the case may be, to the satisfaction of the State, the portion of the Transmission System on such portion or portions of such State Structures or land, except for buried ground wires and foundations and those parts of the Transmission System which the State agrees may remain, and, if the Power Company is in default of performing these obligations under Article XVI hereof, the Power Company shall reimburse the State or State's Designee for any expenses to which the State or State's Designee may incur removing the Transmission System from such State Structures and from such portion or portions of such land.

#### ARTICLE XXI.

#### ATTACHMENTS

Attached to this Agreement are the "Standard Railroad License Specifications & Covenants For Wire, Pipe and/or Cable Transverse Crossings and/or Longitudinal Occupations Within the Railroad Right of Way" dated October 1, 2001 (the "Specifications & Covenants"), the terms and provisions of which, as amended, are incorporated into this Agreement and hereby made a part hereof with the following changes:

(a) All references therein to "Facilities" and "FACILITIES" shall be deemed to mean the "Transmission System" and any Connecting Lines; and

(b) All references to "Licensee" shall be deemed to mean the "Power Company".

In the event of any conflict between the terms and provisions set forth in the body of this Agreement with those in the Specifications & Covenants, such conflict shall be resolved in favor of the terms and provisions in the body of this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first above written.

WITNESSES:

Elizabeth H. Mosca  
Name:

ELIZABETH H. MOSCA

Louise Kent  
Name: **LOUISE KENT**

STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION  
James F. Byrnes, Jr., Commissioner

By: Harry P. Harris (Seal)  
Harry P. Harris  
Bureau Chief  
Bureau of Public Transportation

May 15, 2003  
Date:

WITNESSES:

Talaine R Fraser  
Name: Talaine R Fraser

Bernice L. Herzig  
Name: Bernice L. Herzig

THE UNITED ILLUMINATING  
COMPANY

By: Anthony J. Vallillo (Seal)  
Anthony J. Vallillo  
Its President and Chief Operating Officer

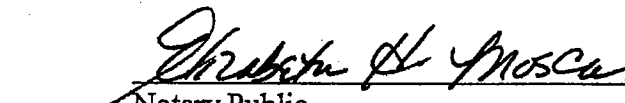
5/6/03  
Date:

STATE OF CONNECTICUT )  
 ) ss. Newington  
COUNTY OF HARTFORD )

May 15, A.D., 2003

Personally appeared for the State, Harry P. Harris, Signer and Sealer of the foregoing Instrument and acknowledged the same to be the free act and deed of the State of Connecticut, Department of Transportation, and his free act and deed as Bureau Chief, Bureau of Public Transportation, before me.

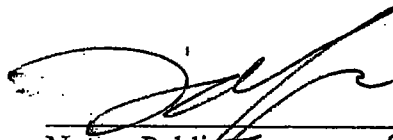
**ELIZABETH H. MOSCA**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES NOV. 30, 2007

  
\_\_\_\_\_  
Notary Public  
My Commission Expires:

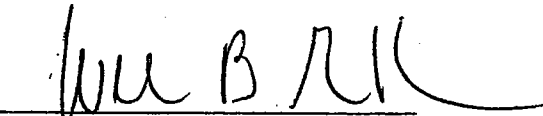
STATE OF CONNECTICUT )  
 ) ss. New Haven  
COUNTY OF NEW HAVEN )

May 6, A.D., 2003

Personally appeared for The United Illuminating Company, Anthony J. Vallillo, Signer and Sealer of the foregoing Instrument and acknowledged the same to be the free act and deed of The United Illuminating Company and his free act and deed as President and Chief Operating Officer, before me.

  
\_\_\_\_\_  
Notary Public THEODORE R. GRAVEL  
My Commission Expires: 9/30/06  
~~Commissioner of the Superior Court~~

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Attorney General  
State of Connecticut

Date: 6/2/03, 20



## CERTIFICATE

I, SUSAN E. ALLEN, Corporate Secretary of The United Illuminating Company, hereby certify that the following is a true copy of the resolution adopted by the Board of Directors of said corporation, at a meeting duly held, a quorum being present, on April 28, 2003.

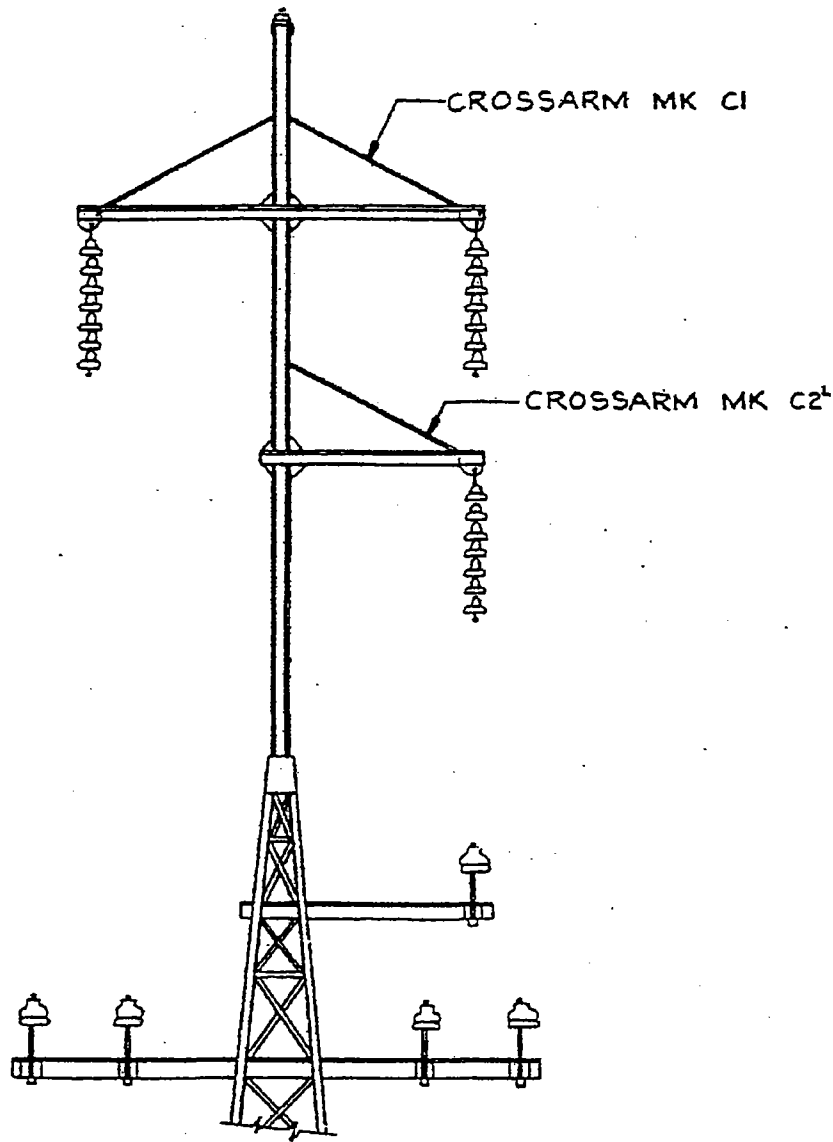
RESOLVED: That the President of the Company is hereby authorized to execute for, and on behalf of the Company, the proposed contract between the Company and the State of Connecticut Department of Transportation, replacing a contract dated January 13, 1966, for the operation of a 115kV transmission system along the railroad right of way between New Haven and the Fairfield-Westport town line, for a term ending on November 5, 2030 with two renewal periods of fifteen years each, at the annual base rent of \$650,000 commencing May 4, 2000 and escalating thereafter, in the form presented to the meeting, with such changes approved by the Officer executing the same.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and affixed the seal of said Corporation this 6<sup>th</sup> day of May, 2003.

  
\_\_\_\_\_  
Corporate Secretary



EXHIBIT A



EXISTING CONFIGURATION



The United Illuminating Company  
167 Church St. New Haven, Ct. 06506

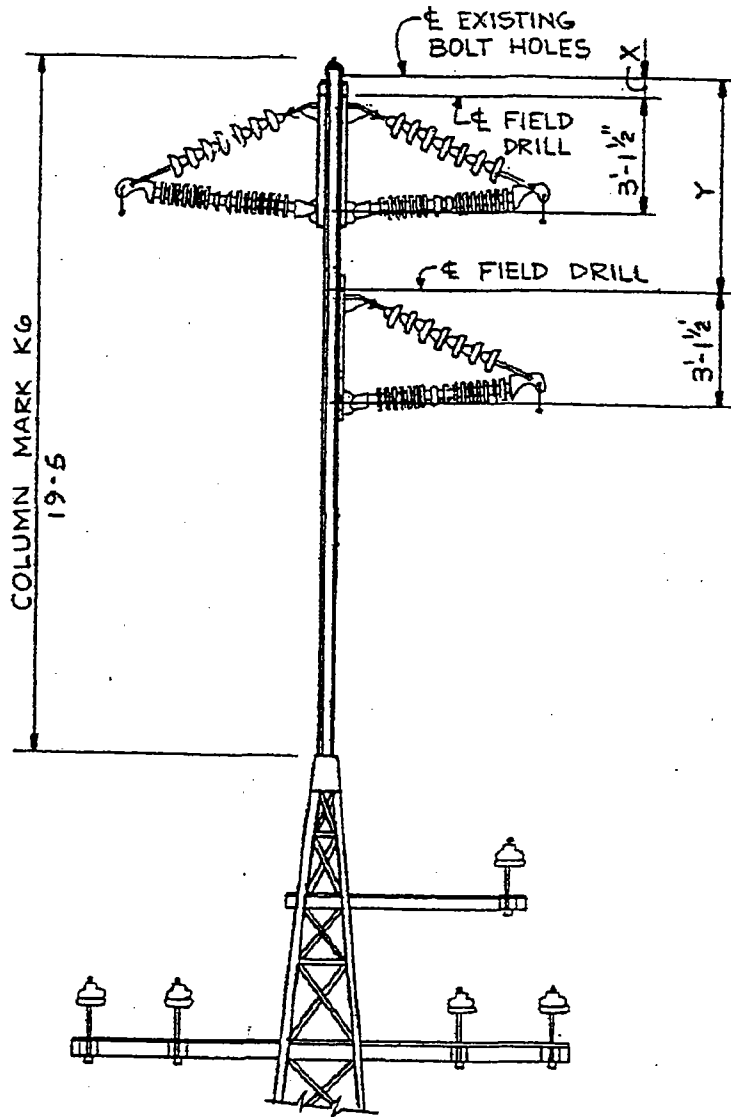
PERMITTING DRAWING

EXISTING  
CONFIGURATION

DATE	ENGR. APPVL	OPER. APPVL
09-24-02	RWS	
SEQUENCE NUMBER: 062946		

DRAWING NUMBER: 14213-739

# EXHIBIT B



NEW CONFIGURATION



The United Illuminating Company  
157 Church St. New Haven, Ct. 06506

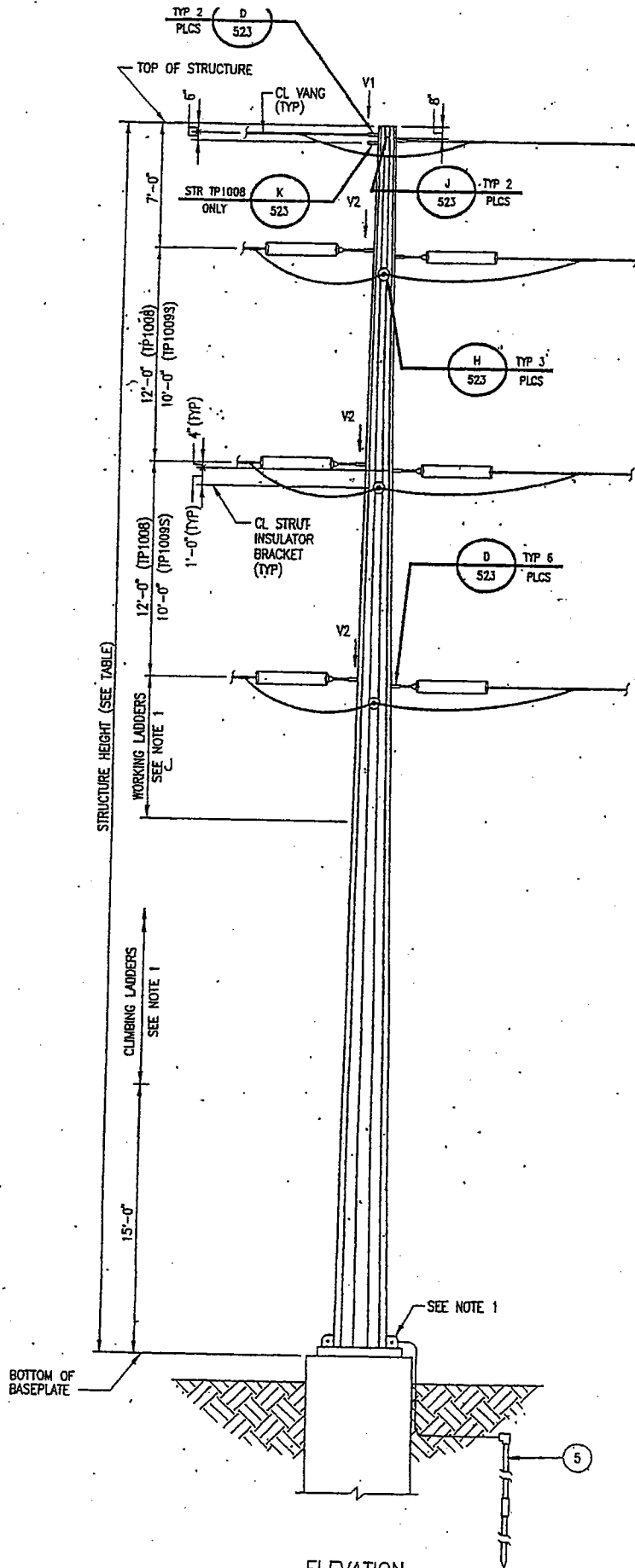
DATE	ENGR. APPVL	OPER. APPVL
09-24-02	RWS	
SEQUENCE NUMBER:		062947

PERMITTING DRAWING

NEW  
CONFIGURATION

DRAWING NUMBER: 14213-740

# EXHIBIT C



ELEVATION  
SCALE: 3/16" = 1'-0"

STANDARD RAILROAD LICENSE  
SPECIFICATIONS & COVENANTS

FOR WIRE, PIPE AND/OR CABLE TRANSVERSE CROSSINGS AND/OR  
LONGITUDINAL OCCUPATIONS WITHIN THE RAILROAD RIGHT OF WAY

October 1, 2001

Metro-North Commuter Railroad Company

Connecticut Department of Transportation  
Bureau of Finance & Administration  
Division of Contract Administration  
Agreements/Negotiations Section

The following changes are hereby made to certain defined terms herein:

- (a) All references herein to "Agreement" shall mean the attached Transmission Line Agreement dated as of May 5, 2000;
- (b) All references herein to "Facilities" shall be deemed to mean the Transmission System as defined in the Agreement; and
- (c) All references herein to "Licensee" shall be deemed to mean the "Power Company" as defined in the Agreement.

- (1) ~~The Licensee hereby releases and waives all right or alleged right at any time to ask for or demand damages from the State or its employees, that have occurred or may occur to the Licensee, to the FACILITIES or to any property owned by or in possession or control of the Licensee, or the Licensee's officers, employees or agents, while in or upon the FACILITIES, including loss of use thereof, and whether or not due to the fault, failure or negligence of the State; and the Licensee further covenants and agrees to indemnify, protect and save harmless the State from and against all loss, cost, damage and expense, and claims and demands therefor, caused by or in connection with the presence, location, use, construction, condition, maintenance, repair, renewal, or removal of the FACILITIES, or the facilities of the Licensee used in connection therewith, or injury or damage caused thereto or thereby, and whether to the property of the State or to property in its possession, control or custody, to its employees, patrons or licensees, or to persons or property of others who may seek to hold the State liable therefor, and whether attributable in whole or in part to the fault, failure or negligence of the State.~~
- (2) The Licensee agrees that at all times during the life of this Agreement, including any supplements thereto and all renewals thereof, it shall indemnify and save harmless the State, Metro-North Commuter Railroad Company, their officers, agents, employees and said FACILITIES from all claims, suits, actions, damages and costs of every name and description a) resulting from the negligent use of said FACILITIES by the Licensee and/or any of its subcontractors or b) resulting from the non-use of said FACILITIES while said FACILITIES is under the jurisdiction and control of the Licensee or c) resulting from the nonadherence of the Licensee and/or its subcontractors to any of the restrictions, covenants and specifications of this Agreement, including any supplementals thereto and all renewals thereof, and such indemnity shall not be limited by ~~reason of any insurance coverage.~~ (See Article IX of the Agreement)

It is further understood and agreed by the parties hereto, that when the Licensee is not a municipality or any other Connecticut governmental entity, the Licensee shall not use the defense of Governmental Immunity in the adjustment of claims or in the defense of any suit, unless requested by the State.

When the Licensee is a municipality or any other Connecticut governmental entity, the Licensee agrees that in the event of an adjustment of claims or in the defense of any suit between the State and the Licensee, the Licensee shall not use the defense of Governmental Immunity.

- (3) The burden of obtaining all permits and approvals which may

for the Facilities  
be necessary or appropriate/shall be upon the Licensee and shall be at the sole risk, cost and expense of the Licensee whose responsibility it shall be to comply with all Federal, State and local laws, and assume all cost and expense and responsibility in connection therewith, without any liability whatsoever on the part of the State, and the Licensee hereby agrees to indemnify, protect and save harmless the State. ...

- (4) The Licensee shall comply with all Federal, State and local laws, and assume all cost and expense and responsibility in connection therewith, without any liability whatsoever on the part of the State.
- (5) As part of the consideration of this Agreement, the Licensee covenants and agrees that no assessments, taxes or charges of any kind shall be made against the State or its property by reason of the construction of said FACILITIES of the Licensee, and the Licensee further covenants and agrees to pay to the State promptly when billed therefor, the full amount of any assessments, taxes or charges of any kind which may be levied, charged, assessed or imposed against the State or its property by reason of the construction and maintenance of said FACILITIES of the Licensee.
- (6) ~~The rights conferred hereby shall be the privilege of the Licensee only, and no assignment or transfer thereof shall be made, or other use be permitted than for the purpose stated herein without the prior consent and agreement in writing of the State. (See Article XIII of the Agreement)~~
- (7) The Licensee agrees to comply with and conform to all the laws of the State of Connecticut, and the ordinances and zoning regulations of the Town(s) in which the said FACILITIES is located, regarding health, nuisance, fire, highways, and sidewalks, so far as the said FACILITIES is or may be ~~concerned~~ subject to them.
- (8) ~~It is further agreed that at the termination of this Agreement for any reason, improvements (including, but not limited to signs, lighting, fences, pier protection devices, paved areas or sidewalks) shall not be removed from the site and shall be the property of the State, or at the State's option, the Licensee shall restore the site to the same physical condition existing immediately before the execution of this Agreement, at no expense to the State. In the event the Licensee shall not fulfill this obligation within a reasonable time when requested by the State, the State shall, at its option, arrange to have the work done and shall bill the Licensee for all expenses incurred. The Licensee shall promptly pay when billed without recourse. (See Article III(m) of the Agreement)~~
- (9) The Licensee shall record this Agreement, including any

supplements hereto and all renewals thereof, if any, in the land records of the town(s) in which the said FACILITIES is located, at no expense to the State, and the recording shall be done immediately upon notification that the fully executed and approved Agreement is ready to be recorded. Failure of the Licensee to record the document(s) as specified herein, shall be ~~sufficient grounds for the State to terminate this agreement without notice~~ a default under Article XVI of the Agreement.

(10) The Secretary of the State of the State of Connecticut (including any successor thereto) is hereby appointed by the Licensee as its agent for service of process for any action arising out of or as a result of this Agreement, such appointment to be in effect throughout the life of this Agreement including any supplements hereto and all renewals thereof, if any, and six (6) years thereafter, except as otherwise provided by Statute.

(11) The Licensee shall make all payments to the State by check, made payable to "Treasurer, State of Connecticut" and addressed to the "Accounts Receivable Unit, Connecticut Department of Transportation, P.O. Box 317546, Newington, Connecticut, 06131-7546".

(12) The Licensee, for itself, its representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Land that: (1) no person, on the grounds of race; color, or national origin shall be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination in the use of said crossing; (2) in regard to any construction and/or improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) the Licensee shall use the land in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended. ~~In the event of breach of any of the above nondiscrimination covenants, the State shall have the right to terminate the Agreement and to re-enter and repossess said land and the facilities thereon, and hold the same as if said Agreement had never been made or issued.~~ shall be a default under Article XVI of the Agreement.

(13) (a) For the purposes of this section, "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons:



(1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. §32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For purposes of this section, "Commission" means the Commission on Human Rights and Opportunities.

(b) (1) The Licensee agrees and warrants that in the performance of the contract such Licensee will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Licensee that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. The Licensee further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to blindness, unless it is shown by such Licensee that such disability prevents performance of the work involved; (2) the Licensee agrees, in all solicitations or advertisements for employees placed by or on behalf of the Licensee, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Licensee agrees to provide each labor union or representative of workers with which such Licensee has a collective bargaining agreement or other contract or understanding and each vendor with which such Licensee has a contract or understanding, a notice to be provided by the Commission advising the labor union or workers' representative of the Licensee's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Licensee agrees to comply with each provision of this section and Conn. Gen. Stat. §§46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Conn. Gen. Stat. §§46a-56, 46a-68e and 46a-68f; (5) the Licensee agrees to provide the Commission on Human Rights and Opportunities with such

information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Licensee as relate to the provisions of this section and Section 46a-56. If the contract is a public works contract, the Licensee agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Licensee's good faith efforts shall include, but shall not be limited to, the following factors: The Licensee's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Licensee shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Licensee shall include the provisions of subsection (b) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Licensee shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. §46a-56; provided if such Licensee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Licensee may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Licensee agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time, during the term of this contract and any amendments thereto.

- (14) (a) Pursuant to Section 4a-60a of the Connecticut General Statutes, (i) The Licensee agrees and warrants that in the performance of the contract such Licensee will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated

when employed without regard to their sexual orientation; (2) the Licensee agrees to provide each labor union or representative of workers with which such Licensee has a collective bargaining agreement or other contract or understanding and each vendor with which such Licensee has a contract or understanding, a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Licensee's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Licensee agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56 of the general statutes; (4) the Licensee agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Licensee which relate to the provisions of this section and section 46a-56 of the general statutes.

(b) The Licensee shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Licensee shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56 of the general statutes; provided, if such Licensee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as result of a such direction by the commission, the Licensee may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

- (15) This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, this Agreement may be cancelled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to Agreement performance in regard to nondiscrimination,

until the Agreement is completed or, terminated prior to completion. The Licensee, as part consideration hereof, agrees that this Agreement is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. Three, and that the Licensee will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner. A copy of said Guidelines is attached and hereby made a part of this Agreement. \*

- (16) This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Agreement may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to Agreement performance in regard to listing all employment openings with the Connecticut State Employment Service.\*
- (17) The Licensee hereby acknowledges and agrees to comply with the Connecticut Required Contract/Agreement Provisions entitled "Specific Equal Employment Opportunity Responsibilities," dated March 6, 1998, a copy of which is attached hereto and made a part of this Agreement.
- (18) The Licensee agrees that the attached "Policy Statement, Policy No. Admin.-19, dated September 1, 1999\*, Subject: Policy on D.B.E.'s" is hereby made a part of this Agreement. The State advises the Licensee that failure to carry out the requirements set forth in this policy statement shall constitute a breach of contract and may result in termination of this Agreement by the State or such remedy as the State deems appropriate.\*  
\*\*March 14, 2003 + "Disadvantaged Business Enterprise Program"
- (19) The Licensee hereby acknowledges and agrees to comply with the policies enumerated in "Connecticut Department of Transportation Policy Statement Policy No. ADMIN. -10 Subject: Code of Ethics Policy", March 25, 1999, a copy of which is attached hereto and made a part hereof.

The Licensee shall comply with the provisions contained in Section 1-86e of the Connecticut General Statutes, which provides as follows:

8

\*The exercise of the cancellation, termination and suspension rights in this paragraph are subject to the notice and cure provisions in Article XVI of the Agreement.

(a) No person hired by the State as a Licensee or independent contractor shall:

(1) Use the authority provided to the person under the contract, or any confidential information acquired in the performance of the contract, to obtain financial gain for the person, an employee of the person or a member of the immediate family of any such person or employee;

(2) Accept another State contract which would impair the independent judgment of the person in the performance of the existing contract;

(3) Accept anything of value based on an understanding that the actions of the person on behalf of the State would be influenced.

(b) No person shall give anything of value to a person hired by the State as a Licensee or independent contractor based on an understanding that the actions of the Licensee or independent contractor on behalf of the State would be influenced.

(20) It is mutually understood and agreed by the parties hereto that any official notice from one such party to the other such party, in order for such notice to be binding thereon, shall:

(a) be in writing addressed to:

(1) when the State is to receive such notice -

Commissioner of Transportation  
Connecticut Department of Transportation  
P. O. Box 317546  
Newington, Connecticut 06131-7546;

(2) when the Licensee is to receive such notice -

the person(s) acting herein as signatory for the Licensee receiving such notice;

(b) be delivered in person or be mailed United States Postal Service - "Certified Mail" to the address recited herein as being the address of the party to receive such notice; and

(c) contain complete and accurate information in sufficient detail to properly and adequately identify and describe the subject matter thereof.

The term "official notice" as used herein, shall be

construed to include but not be limited to any request, demand, authorization, direction, waiver, and/or consent of the party as well as any document(s) provided, permitted, or required for the making or ratification of any change, revision, addition to or deletion from the document, contract, or agreement in which this "official notice" specification is contained.

Further, it is understood and agreed that nothing hereinabove contained shall preclude the parties hereto from subsequently agreeing, in writing, to designate alternate persons (by name, title, and affiliation) to which such notice(s) is(are) to be addressed; alternate means of conveying such notice(s) to the particular party; and/or alternate locations to which the delivery of such notice(s) is(are) to be made, provided such subsequent agreement(s) is(are) concluded pursuant to the adherence to this specification.

~~(21) It is mutually understood and agreed by the parties hereto that any right of extension of the terms of this Agreement specifically granted herein by the State to the Licensee, if any, shall only be exercised by the Licensee by causing notice in the form and manner herein specified, to be received by the State not less than sixty (60) days nor more than one hundred fifty (150) days prior to the effective date of such extension.~~

(22) Suspended or debarred Licensees, suppliers, materialmen, lessors or other vendors may not submit proposals for a State contract or subcontract during the period of suspension or debarment regardless of their anticipated status at the time of contract award or commencement of work.

(1) The signature on the Agreement by the Licensee shall constitute certification that to the best of its knowledge and belief the Licensee or any person associated therewith in the capacity of owner, partner, director, officer, principal investigator, project director, manager, auditor or any position involving the administration of Federal or State funds:

(a) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Has not within a three-year period preceding this Agreement been convicted of or had a civil judgement rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal,

State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Is not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

(d) Has not within a three-year period preceding this Agreement had one or more public transactions (Federal, State, or local) terminated for cause or default.

(2) Where the Licensee is unable to certify to any of the statements in this certification, such Licensee shall attach an explanation to this Agreement.

The Licensee agrees to insure that the following certification be included in each subcontract Agreement to which it is a party, and further, to require said certification to be included in any lower tier subcontracts and purchase orders:

(a) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(b) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

(23) The Licensee hereby acknowledges and agrees to comply with Chapter 219 of the Connecticut General Statutes pertaining to tangible personal property or services rendered that is/are subject to sales tax. The attached copy of the "Governmental Agency Exemption Certificate" is hereby made a part hereof.

(24) This clause applies to those Licensees who are or will be responsible for compliance with the terms of the Americans with Disabilities Act of 1990 ("Act"), Public Law 101-336, during the term of the Agreement. The Licensee represents that it is familiar with the terms of this Act and that it is in compliance with the Act. Failure of the Licensee to satisfy this standard as the same applies to performance under this Agreement, either now or during the term of the

Agreement as it may be amended, ~~with the consent of the State~~ ~~voidable at the option of the State upon notice to the~~ ~~Licensee.~~ The Licensee warrants that it will hold the State harmless and indemnify the State from any liability which may be imposed upon the State as a result of any failure of the Licensee to be in compliance with this Act, ~~as the same~~ ~~applies to performance under this Agreement~~ will be deemed a default under Article XVI of the Agreement.

- (25) "Environmental Laws" shall mean and include any federal, state or local statute, law, ordinance, code, rule, regulation, order, or decree regulating or relating to the protection of human health or the environment, or imposing liability or standards of conduct concerning any hazardous, toxic, or waste substance, element, compound, mixture or material, as now or at any time hereafter in effect, including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. § 9601 et seq., the Federal Oil Pollution Act of 1990, 33 U.S.C. § 2701, et seq., the Federal Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq., the Federal Clean Air Act, 42 U.S.C. § 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the River and Harbors Act of 1899, 33 U.S.C. § 401 et seq., and all rules and regulations of the United States Environmental Protection Agency, or any other state, local or federal agency or entity having jurisdiction over environmental or health and safety matters, as such may have been amended.

"Hazardous Substances" shall mean any and all materials, chemicals, or other substances that are hazardous or toxic or otherwise regulated or controlled pursuant to any of the Environmental Laws.

The Licensee shall comply strictly and in all respects with the requirements of the Environmental Laws. Furthermore, the Licensee shall not store, generate or use any Hazardous Substances at, on, or under the FACILITIES.

- (26) All the Licensee's obligations hereunder shall survive this Agreement or any other agreement or action, including, without limitation, any consent decree, or order, between the Licensee and the government of the United States or any department or agency thereof, the State and/or the Municipality.
- (27) In addition to Item (2) of these Standard Specifications, the Licensee hereby agrees as follows:

The Licensee shall or if the Licensee is one of several licensees, the Licensees shall jointly and severally, protect, indemnify, defend, and hold harmless the State, Metro-North



Commuter Railroad Company and any of their officers, employees and agents and their respective heirs, legal representatives, successors and assigns, from and against any and all loss, damage, cost, charge, lien, debt, fine, penalty, injunctive relief, claim, demand, expense, suit, order, judgment, adjudication, liability, or injury to person, property or natural resources, including attorneys' fees and consultants' fees (any of the foregoing being referred to in this Agreement as a "Claim") arising out of, attributable to, which may accrue out of, or which may result from (i) any violation or alleged violation of the Environmental Laws by <sup>Licensee</sup> ~~any person~~ or by entity or other source <sup>under the control of</sup> ~~which is related to or connected to~~ the Licensee, or (ii) the disposal or alleged disposal of Hazardous Substances (whether intentional or unintentional, direct or indirect, foreseeable or unforeseeable) by any person or entity or other source, ~~whether the cause is related to or connected to the Licensee~~ under the control of the Licensee.

- (28) This contract is subject to the provisions of Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999 and, as such, the contract may be canceled, terminated or suspended by the state for violation of or noncompliance with said Executive Order No. 16. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. 16 is incorporated herein by reference and made a part hereof. The parties agree to abide by such Executive Order. \*
- (29) The Agreement, when fully executed by both parties, and this "STANDARD RAILROAD LICENSE SPECIFICATIONS & COVENANTS FOR WIRE, PIPE AND/OR CABLE TRANSVERSE CROSSINGS AND/OR LONGITUDINAL OCCUPATIONS WITHIN THE RAILROAD RIGHT OF WAY", together constitute the entire agreement between the parties hereto and shall supersede all previous communications, representations, or Agreements, either oral or written, between the parties hereto with respect to the subject matter hereof; and no agreement or understanding varying or extending the same shall be binding upon either party hereto unless in writing signed by both parties hereto; and nothing contained in the terms or provisions of this Agreement shall be construed as waiving any of the rights of the State under the laws of the State of Connecticut.
- (30) In the event of any conflict between the notice and cure provisions in these "Specifications & Covenants" with those in the attachments hereto, the conflict shall be resolved in favor of the notice and cure provisions in these Specifications & Covenants.

Rev. 10/01/01

\* The exercise of the cancellation, termination and suspension rights in this paragraph are subject to the notice and cure provisions in Article XVI of the Agreement.

STATE OF CONNECTICUT  
BY HIS EXCELLENCY  
THOMAS J. MESKILL  
GOVERNOR  
EXECUTIVE ORDER NO. THREE

WHEREAS, sections 4-61d (b) and 4-114a of the 1969 supplement to the general statutes require nondiscrimination clauses in state contracts and subcontracts for construction on public buildings, other public works and goods and services and

WHEREAS, section 4-61e (c) of the 1969 supplement to the general statutes requires the labor department to encourage and enforce compliance with this policy by both employers and labor unions, and to promote equal employment opportunities, and

WHEREAS, the government of this state recognizes the duty and desirability of its leadership in providing equal employment opportunity, by implementing these laws,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under section twelve of article fourth of the constitution of the state, as supplemented by section 3-1 of the general statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

I

The labor commissioner shall be responsible for the administration of this Order and shall adopt such regulations as he deems necessary and appropriate to achieve the purposes of this Order. Upon the promulgation of this Order, the commissioner of finance and control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the labor commissioner for violation of or noncompliance with this Order or state or federal laws concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to such contract or subcontract.

II

Each contractor having a contract containing the provisions prescribed in section 4-114a of the 1969 supplement to the general statutes, shall file, and shall cause each of his subcontractors to file, compliance reports with the contracting agency or the labor commissioner, as may be directed. Such reports shall be filed within such times and shall contain such information as to employment policies and statistics of the contractor and each subcontractor, and shall be in such form as the labor commissioner may prescribe. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order or any preceding similar Order, and in that event to submit on behalf of themselves and their proposed subcontractors compliance reports prior to or as an initial part of their bid or negotiation of a contract.

III

Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor organization or employment agency as defined in section 31-122 of the general statutes, the compliance report shall identify the said organization or agency and the contracting agency or the labor commissioner may require a compliance report to be filed with the contracting agency or the labor commissioner, as may be directed, by such organization or agency, signed by an authorized officer or agent of such organization or agency, with supporting information, to the effect that the signer's practices and policies, including but not limited to matters concerning personnel, training, apprenticeship, membership, grievance and representation, and ungrading, do not discriminate on grounds of race, color, religious creed, age, sex, or national origin, or ancestry of any individual, and that the signer will either affirmatively cooperate in the implementation of the policy and provisions of this Order, or that it consents and agrees that recruitment, employment and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order.

IV

The labor commissioner may by regulation exempt certain classes of contracts, subcontracts or purchase order from the implementation of this Order, for standard commercial supplies or raw materials, for less than specified amounts of money or numbers of workers or for subcontractors below a specified tier. The labor commissioner may also provide by regulation for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the state contract, provided only that such exemption will not interfere with or impede the implementation of this Order, and provided further, that in the absence of such an exemption, all facilities shall be covered by the provisions of this Order.

V

Each contracting agency shall be primarily responsible for obtaining compliance with the regulations of the labor commissioner with respect to contracts entered into by such agency or its contractors. All contracting agencies shall comply with the regulations of the labor commissioner in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Order and of the regulations of the labor commissioner issued pursuant to this Order. They are directed to cooperate with the labor commissioner and to furnish the labor commissioner such information and assistance as he may require in the performance of his functions under this Order. They are further directed to appoint or designate from among the personnel of each agency, compliance officers, whose duty shall be to seek compliance with the objectives of this Order by conference, conciliation, mediation, or persuasion.

VI

The labor commissioner may investigate the employment practices and procedures of any state contractor or subcontractor and the practices and policies of any labor organization or employment agency hereinabove described, relating to employment under the state contract, as concerns nondiscrimination by such organization or agency as hereinabove described, or the labor commissioner may initiate such investigation by the appropriate contract agency, to determine whether or not the contractual provisions hereinabove specified or statutes of the state respecting them have been violated. Such investigation shall be conducted in accordance with the procedures established by the labor commissioner and the investigating agency shall report to the labor commissioner any action taken or recommended.

VII

The labor commissioner shall receive and investigate or cause to be investigated complaints by employees or prospective employees of a state contractor or subcontractor or members or applicants for membership or apprenticeship or training in a labor organization or employment agency hereinabove described, which allege discrimination contrary to the contractual provisions specified hereinabove or state statutes requiring nondiscrimination in employment opportunity. If this investigation is conducted by the labor commissioner by a contracting agency, that agency shall report to the labor commissioner what action has been taken or is recommended with regard to such complaints.

VIII

The labor commissioner shall use his best efforts, directly and through contracting agencies, other interested federal, state and local agencies, contractors and all other available instrumentalities, including the commission on human rights and opportunities, the executive committee on human rights and opportunities, and the apprenticeship council under its mandate to provide advice and counsel to the labor commissioner in providing equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers, in accordance with section 51-51 (d) of the 1969 supplement to the general statutes, to cause any labor organization or any employment agency whose members are engaged in work under government contracts or referring workers or providing or supervising apprenticeship or training for or in the course of work under a state contract or subcontract to cooperate in the implementation of the purposes of this Order. The labor commissioner shall in appropriate cases notify the commission on human rights and opportunities or other appropriate state or federal agencies whenever it has reason to believe that the practices of any such organization or agency violate equal employment opportunity requirements or state or federal law.

IX

The labor commissioner or any agency officer or employee in the executive branch designated by regulation of the labor commissioner may hold such hearings, public or private, as the labor commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.

X

(a) The labor commissioner may hold or cause to be held hearings, prior to imposing ordering or recommending the imposition of penalties and sanctions under this Order. No order for disbarment of any contractor from further state contracts shall be made without affording the contractor an opportunity for a hearing. In accordance with such regulations as the labor commissioner may adopt, the commissioner or the appropriate contracting agency may

- (1) Publish or cause to be published the names of contractors or labor organizations or employment agencies as hereinabove described which it has concluded have complied or failed to comply with the provisions of this Order or the regulations of the labor commissioner in implementing this Order.
- (2) Recommend to the commission on human rights and opportunities that in cases in which there is substantial or material violation or threat thereof of the contractual provision or related state statutes concerned herein, appropriate proceedings be brought to enforce them, including proceedings by the commission on its own motion under chapter 563 of the general statutes and the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly or seek to prevent directly or indirectly compliance with the provisions of this Order.
- (3) Recommend that criminal proceedings be brought under chapter 939 of the general statutes.
- (4) Cancel, terminate, suspend or cause to be cancelled, terminated, or suspended in accordance with law any contract or any portion or portions thereof for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.
- (5) Provide that any contracting agency shall refrain from entering into any further contracts or extensions or modifications of existing contracts with any contractor until he has satisfied the labor commissioner that he has established and will carry out personnel and employment policies compliant with this Order.
- (6) Under regulations prescribed by the labor commissioner each contracting agency shall make reasonable efforts within a reasonable period of time to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation or persuasion, before other proceedings shall be instituted under this Order or before a state contract shall be cancelled or terminated in whole or in part for failure of the contractor or subcontractor to comply with the contract provisions of state statute and this Order.

(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the labor commissioner or pursuant to his regulations shall promptly notify him of such action. Whenever the labor commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency and other interested federal, state and local agencies of the action recommended. The state and local agency or agencies shall take such action and shall report the results thereof to the labor commissioner within such time as he shall specify.

XI

If the labor commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order, or submits a program for compliance acceptable to the labor commissioner, or if the labor commissioner so authorizes, to the contracting agency.

XII

Whenever a contracting agency cancels or terminates a contract, or a contractor has been disbarred from further government contracts because of noncompliance with the contract provisions with regard to nondiscrimination, the labor commissioner or the contracting agency shall rescind such disbarment, upon the satisfaction of the labor commissioner that the contractor has purged himself of such noncompliance and will thenceforth carry out personnel and employment policies of nondiscrimination in compliance with the provision of this Order.

XIII

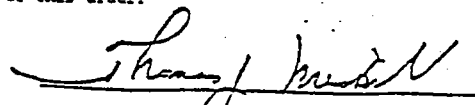
The labor commissioner may delegate to any officer, agency or employee in the executive branch any function or duty of the labor commissioner under this Order except authority to promulgate regulations of a general nature.

XIV

This Executive Order supplements the Executive Order issued on September 28, 1967. All regulations, orders, instructions, designations and other directives issued heretofore in these premises, including those issued by the heads of various departments or agencies under or pursuant to prior order or statute, shall remain in full force and effect, unless and until revoked or superseded by appropriate authority, to the extent that they are not inconsistent with this Order.

This Order shall become effective thirty days after the date of this Order.

Dated at Hartford, Connecticut, this 16th day of June, 1971.

  
GOVERNOR

GUIDELINES AND RULES  
OF STATE LABOR COMMISSIONER  
IMPLEMENTING GOVERNOR'S EXECUTIVE  
ORDER NO. THREE

SEC. 1. PERSONS AND FIRMS SUBJECT TO EXECUTIVE ORDER NO. THREE AND GUIDELINES AND RULES.

a. Every contractor, or subcontractor as defined in Sec. 2 hereof, supplier of goods or services, vendor, bidder and prospective contractor or subcontractor, having ten or more employees as defined in Sec. 3 of these Guidelines, having or entering into or bidding to enter into any type of contractual relationship with the State of Connecticut or any of its agencies, boards, commissions, departments or officers, and if the consideration, cost, subject matter or value of the goods or services exceeds \$5,000.00, shall be subject to the Governor's Executive Order No. Three and these Guidelines and Rules.

b. A copy of the Governor's Executive Order No. Three and of these Guidelines and Rules shall be available to each said contractor, subcontractor, supplier, vendor, bidder and prospective contractor and subcontractor, and the said Executive Order No. Three and these Guidelines and Rules shall be incorporated by reference and made a part of the contract, purchase order, agreement or document concerned. A copy of the Executive Order and of these Guidelines and Rules shall be furnished to a contracting party or bidder on request.

c. All persons, partnerships, associations, firms, corporations and other entities having less than ten employees as defined in Sec. 3 at the time of the bid and execution of the contract and continuing through the performance of the contract are exempt from the provisions of the said Executive Order and these Guidelines and Rules. All contracts, subcontracts, purchase orders and agreements wherein the consideration is \$5,000.00 or less shall be exempt from Executive Order No. Three and from these Guidelines and Rules.

SEC. 2. SUBCONTRACTORS.

As used herein, subcontractors are persons, partnerships, associations, firms or corporations or other entities having contractual relationship with a contractor who in turn has a contract with the State of Connecticut or any of its agencies, boards, commissions or departments. Subcontractors below this tier are exempt from the Executive Order and from these Guidelines and Rules.

SEC. 3. EMPLOYEES.

As used herein, employees are persons working full or part-time irrespective of personnel classification whose wages, salaries, or earnings are subject to the Federal Insurance Contribution Act and/or to Federal Withholding Tax as a matter of law (whether in fact or not any actual withholding occurs in a given case), in an employee-employer relationship at the time of bid, contract execution, or offer or acceptance, and/or during any time thereafter during the existence of the performance period of the contract to the conclusion thereof.

SEC. 4. REPORTS.

a. Prior to the execution of the contract or prior to acceptance of a bid, as the case may be, the contractor, subcontractor, bidder or vendor shall file a report with the State Labor Commissioner, which report shall be complete and contain all of the information therein prescribed. The report shall be on Form E.O. 3-1, a facsimile of which is attached hereto and made a part hereof, or in lieu thereof the contractor, subcontractor, bidder or vendor shall submit a detailed report containing all of the information required in Form E.O. 3-1.

b. The Labor Commissioner may require the filing of additional reports prior to final payment or prior to any renewal or extension of the contract and during the duration of the contract at such times as the Commissioner may, in his discretion, from time to time deem necessary. The Labor Commissioner may require the filing of additional information or reports, and the contractor, subcontractor, bidder or vendor shall furnish said information or reports within the times prescribed by the Labor Commissioner.

c. The Labor Commissioner may, at his discretion, also require timely statistical reports on the number of minority employees employed or to be employed in the performance of the contract, and the Labor Commissioner may define such minority groups or persons.

d. Reports filed pursuant to these Guidelines and Rules in implementation of Executive Order No. Three are not public records subject to public inspection, but may be inspected only by federal and state officials having jurisdiction and authority to investigate matters of this type. All federal and state agencies empowered by law to investigate matters relating to Executive order No. Three shall have access to these reports for inspection or copying during regular business hours.

e. Any person who wilfully, wantonly or through negligence destroys or permits to be destroyed, alters or allows to be altered after filing, any reports submitted in compliance herewith shall be subject to penalties as prescribed by law.

SEC. 5. MANDATORY CLAUSES IN DOCUMENTS.

a. All contracts shall contain the following provisions verbatim:

This contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, this contract may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion.

The (contractor), (subcontractor), (bidder), (vendor) agrees, as part consideration hereof, that this (order) (contract) is subject to the Guidelines and Rules issued by the state labor commissioner to implement Executive Order No. Three, and that he will not discriminate in his employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.

These provisions are in addition to and not in lieu of other clauses required by law.\*.

\* N.B. The above paragraphs contain requirements additional to those set forth in July 16, 1971 directive to state agencies.

b. Every purchase order or like form submitted by a vendor or bidder, as applicable, shall contain the following clause verbatim:

Vendor agrees, as part of the consideration hereof, that this order is subject to the provisions of Executive Order No. Three and the Guidelines and Rules issued by the Labor Commissioner implementing said Order as to nondiscrimination, and vendor agrees to comply therewith.

c. Where preprinted contract forms have been prescribed by federal authority and the rules of the federal agency prohibit the alteration thereof, the compliance officer of the State agency concerned shall submit to the Labor Commissioner a suggested short form or addendum acceptable to the federal agency, and in such cases, after approval by the Labor Commissioner, said clause may be substituted.

SEC. 6. COOPERATION OF STATE AGENCIES, BOARDS AND COMMISSIONS.

Every agency, board, commission and department of the State of Connecticut shall cooperate with the Labor Commissioner in the implementation of Executive Order No. Three and shall furnish such information and assistance as the Labor Commissioner may from time to time request.

SEC. 7. INVESTIGATIONS, COMPLAINTS.

The Labor Commissioner may initiate an investigation upon receipt of a complaint alleging discrimination. The Labor Commissioner may request that an investigation be conducted by the State agency which is the party to the contract in question. Investigations shall be conducted in accordance with acceptable legal standards, safeguarding the rights of all parties involved, and obtaining all of the relevant facts necessary for a complete determination of the issues. If the Labor Commissioner is not satisfied with the investigation or any part thereof he may order it to continue or to proceed further.

SEC. 8. HEARINGS.

The Labor Commissioner or officers designated by the heads of the State agencies, boards and commissions may conduct hearings on complaints filed. Hearings shall be held only after a report of the complaint has been filed with the Labor Commissioner and after a hearing on the complaint has been authorized or directed by the Labor Commissioner. Hearings shall be conducted in accordance with the accepted principles of administrative law. All parties shall be afforded the opportunity to a full, fair, impartial and complete hearing, the opportunity to examine and cross examine witnesses and to be present at all sessions of the hearing. If any party is vulnerable to a charge of a violation of the law, he shall be afforded the opportunity to procure counsel who may be present at the hearing.

SEC. 9. EQUAL EMPLOYMENT OPPORTUNITIES.

All State contracting agencies, employers, and labor unions shall use their best efforts to provide equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers in accordance with section 31-31(d) of the General Statutes.

SEC. 10. DUTIES OF CONTRACTING AGENCIES.

All State contracting agencies shall be responsible for compliance with said Executive Order and with all state and federal laws relating to equal employment opportunities. All contracting agencies conducting investigations for the Labor Commissioner pursuant to Executive Order No. Three and these Guidelines and Rules shall report to the Labor Commissioner the action taken or recommended with regard to each complaint filed. Each officer of the executive department, every commissioner, and each executive head of each State agency, board and commission in the executive branch of the State government is expected to assume the responsibility of seeing to complete compliance with the Governor's Executive Order No. Three and shall forthwith take steps to assure and guarantee that there shall be no discrimination within their departments, agencies, boards or commissions in the performance of any state contract or subcontract on the basis of race, creed, color, sex, age, national origin or national ancestry, or in any way in violation of any state or federal law relating thereto.

BY VIRTUE OF THE AUTHORITY VESTED IN ME PURSUANT TO EXECUTIVE ORDER NO. THREE EFFECTIVE JULY 16, 1971, AND THE GENERAL STATUTES OF CONNECTICUT.

Dated at Wethersfield, Connecticut this 19<sup>TH</sup> day of

Nov. 1971.

*Jack A. Fusari*

JACK A. FUSARI  
LABOR COMMISSIONER

BY HIS EXCELLENCY

THOMAS J. MESKILL

GOVERNOR

## EXECUTIVE ORDER NO. SEVENTEEN

WHEREAS, Section 31-237 of the General Statutes of Connecticut as amended requires the maintaining of the established free services of the Connecticut State Employment Service to both employers and prospective employees and

WHEREAS, Section 31-5 of the General Statutes of Connecticut requires that no compensation or fee shall be charged or received directly or indirectly for the services of the Connecticut State Employment Service and

WHEREAS, large numbers of our citizens who have served in the Armed Forces of our nation are returning to civilian life in our state and seeking employment in civilian occupations and

WHEREAS, we owe a duty as well as gratitude to these returning veterans including the duty to find suitable employment for them and

WHEREAS, many of our handicapped citizens are fully capable of employment and are entitled to be placed in suitable employment and

WHEREAS, many of the citizens of our state who are unemployed are unaware of the job openings and employment opportunities which do in fact exist in our state and

WHEREAS, notwithstanding the free services of the Connecticut State Employment Service, many of our Connecticut employers do not use its free services or do not avail themselves fully of all of the services offered.

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under the fourth article of the Constitution of the State and in accordance with Section 3-1 of the General Statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

## I

The Labor Commissioner shall be responsible for the administration of this Order and shall do all acts necessary and appropriate to achieve its purpose. Upon promulgation of this Order, the Commissioner of Finance and Control shall issue a directive forthwith to all state agencies that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the Labor Commissioner for violation of or noncompliance with this Order, notwithstanding that the Labor Commissioner is not a party to such contract or subcontract.

## II

Every contractor and subcontractor having a contract with the state or any of its agencies, boards, commissions, or departments, every individual partnership, corporation, or business entity having business with the state or who or which seeks to do business with the state, and every bidder or prospective bidder who submits a bid or replies to an invitation to bid on any state contract shall list all employment openings with the office of the Connecticut State Employment Service in the area where the work is to be performed or where the services are to be rendered.

## III

All state contracts shall contain a clause which shall be a condition of the contract that the contractor and any subcontractor holding a contract directly under the contractor shall list all employment openings with the Connecticut State Employment Service. The Labor Commissioner may allow exceptions to listings of employment openings which the contractor proposes to fill from within its organization from employees on the rolls of the contractor on the date of publication of the invitation to bid or the date on which the public announcement was published or promulgated advising of the program concerned.

## IV

Each contracting agency of the state shall be primarily responsible for obtaining compliance with this Executive Order. Each contracting agency shall appoint or designate from among its personnel one or more persons who shall be responsible for compliance with the objectives of this Order.

## V

The Labor Commissioner shall be and is hereby empowered to inspect the books, records, payroll and personnel data of each individual or business entity subject to this Executive Order and may hold hearings or conferences, formal or informal, in pursuance of the duties and responsibilities hereunto delegated to the Labor Commissioner.

## VI

The Labor Commissioner or any agency officer or employee in the executive branch designated by regulation of the Labor Commissioner may hold such hearings, public or private, as the Labor Commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.

## VII

(a) The Labor Commissioner may hold or cause to be held hearings, prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. In accordance herewith, the Commissioner or the appropriate contracting agency may suspend, cancel, terminate, or cause to be suspended, cancelled, or terminated in accordance with law any contract or any portion or portions thereof for failure of the contractor or subcontractor to comply with the listing provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.


(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the Labor Commissioner, shall promptly notify him of such action. Whenever the Labor Commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency of the action recommended. The agency shall report the results to the Labor Commissioner promptly.

## VIII

If the Labor Commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order.

This Order shall become effective sixty days after the date of this Order.

Dated at Hartford, Connecticut, this 15th day of February, 1973.



CONNECTICUT REQUIRED CONTRACT/AGREEMENT PROVISIONS  
March 6, 1998

Specific Equal Employment Opportunity Responsibilities

1. General

- A. Equal Employment Opportunity Requirements not to discriminate and to take affirmative action to assure equal employment opportunity as required by Executive Order 11246, Executive Order 11375, the Railroad Revitalization and Regulatory Reform Act of 1976 and other U.S. Department of Transportation nondiscrimination legislation are set forth in this Required Contract/Agreement Provision. The requirements set forth in these special provisions shall constitute the specific affirmative action requirements for project activities under this contract (or agreement) and supplement the equal employment opportunity requirements set forth in other related contract provisions.
- B. "Company" refers to any entity doing business with the Connecticut Department of Transportation and includes but is not limited to the following:
- |                |   |
|----------------|---|
| Contractors    | Vendors (where applicable)                |
| Subcontractors | Suppliers of Materials (where applicable) |
| Consultants    | Municipalities (where applicable)         |
| Subconsultants | Utilities (where applicable)              |
- C. The Company will work with the Connecticut Department of Transportation and the federal government in carrying out equal employment opportunity obligations and in their review of his/her activities under the contract or agreement.
- D. The Company and all their subcontractors or subconsultants holding subcontracts or subagreements of \$10,000 or more on federally-assisted projects and \$5,000 or more on state funded projects, will comply with the following minimum specific requirement activities of equal employment opportunity. The Company will physically include these requirements in every subcontract or subagreement meeting the monetary criteria above with such modification of language as is necessary to make them binding on the subcontractor or subconsultant.
- E. These Required Contract Provisions apply to all state funded and/or federally-assisted projects, activities and programs in all facets of the Connecticut Department of Transportation operations resulting in contracts or agreements.

2. Equal Employment Opportunity Policy

The Company will develop, accept and adopt as its operating policy an Affirmative Action Plan utilizing as a guide the Connecticut Department of Transportation Affirmative Action Plan Guideline.

3. Equal Employment Opportunity Officer

The Company will designate and make known to the State Department of Transportation contracting officers an equal employment opportunity officer (hereinafter referred to as the EEO Officer) who will have the responsibility for and must be capable of effectively administering and promoting an active program of equal employment opportunity and who must be assigned adequate authority and responsibility to do so.

4. Dissemination of Policy

- A. All members of the Company's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the Company's equal employment opportunity policy and contractual responsibilities to provide equal employment opportunity in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:
- (1) Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less than once every six (6) months thereafter, at which time the Company's equal employment opportunity policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer or other knowledgeable Company official.

- (2) All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer or other knowledgeable Company official covering all major aspects of the Company's equal employment opportunity obligations within thirty (30) days following their reporting for duty with the Company.
  - (3) All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer or appropriate Company official in the Company's procedures for locating and hiring protected class group employee.
- B. In order to make the Company's equal employment opportunity policy known to all employees, prospective employees and potential sources of employees, i.e., schools, employment agencies, labor unions (where appropriate), college placement officers, etc., the Company will take the following actions:
- (1) Notices and posters setting forth the Company's equal employment opportunity policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.
  - (2) The Company's equal employment opportunity policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

#### 5. Recruitment

- A. When advertising for employees, the Company will include in all advertisements for employees the notation: "An Equal Opportunity Employer". All such advertisements will be published in newspapers or other publications having a large circulation among minority groups in the area from which the project work force would normally be derived.
- B. The Company will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minority group applicants, including, but not limited to, State employment agencies, schools, colleges and minority group organizations. To meet this requirement, the Company will, through its EEO Officer, identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority group applicants may be referred to the Company for employment consideration.

In the event the Company has a valid bargaining agreement providing for exclusive hiring hall referrals, the Company is expected to observe the provisions of that agreement to the extent that the system permits the Company's compliance with equal employment opportunity contract provisions. (The U.S. Department of Labor has held that where implementation of such agreements have the effect of discriminating against minorities or women, or obligates the Company to do the same, such implementation violates Executive Order 11246, as amended.)

- C. The Company will encourage its present employees to refer minority group applicants for employment by posting appropriate notices or bulletins in the areas accessible to all such employees. In addition, information and procedures with regard to referring minority group applicants will be discussed with employees.

#### 6. Personnel Actions

Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoffs, and termination, shall be taken without regard to race, color, religion, sex, or national origin, etc. The following procedures shall be followed:

- A. The Company will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.
- B. The Company will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.



- C. The Company will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the Company will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.
- D. The Company will promptly investigate all complaints of alleged discrimination made to the Company in connection with his obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the Company will inform every complainant of all of his avenues of appeal.
- E. The general contract provision entitled A(76) Affirmative Action Requirements is made part of this document by reference. In conjunction with this contract provision, only the job categories will change in order to be comparable with the job categories utilized by the Company proposing to do business with the Connecticut Department of Transportation. The goals and time tables will remain the same throughout the contract provision.

7. Training and Promotion

- A. The Company will assist in locating, qualifying, and increasing the skills of minority group and women employees, and applicants for employment.
- B. Consistent with the Company's work force requirements and as permissible under Federal and State regulations, the Company shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. Where feasible, 25 percent of apprentices or trainees in each occupation shall be in their first year of apprenticeship or training. In the event the Training Special Provision is provided under this contract, this subparagraph will be superseded.
- C. The Company will advise employees and applicants for employment of available training programs and entrance requirements for each.
- D. The Company will periodically review the training and promotion potential of minority group and women employees and will encourage eligible employees to apply for such training and promotion.

8. Unions

If the Company relies in whole or in part upon unions as a source of employees, it will use its best efforts to obtain the cooperation of such unions to increase opportunities for minority groups and women within the unions, and to effect referrals by such unions of minority and female employees. Actions by the Company either directly or through an association acting as agent will include the procedures set forth below:

- A. The Company will use its best efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minority group members and women for membership in the unions and increasing the skills of minority group employees and women so that they may qualify for higher paying employment.
- B. The Company will use its best efforts to incorporate an equal employment opportunity clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, or national origin, etc.
- C. The Company is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the Company, the Company shall so certify to the Connecticut Department of Transportation and shall set forth what efforts have been made to obtain such information.
- D. In the event the union is unable to provide the Company with a reasonable flow of minority and women referrals within the time limit set forth in the collective bargaining agreement, the Company will, through independent recruitment efforts, fill the employment vacancies without regard to race,

color, religion, sex or national origin, etc. making full efforts to obtain qualified and/or qualifiable minority group persons and women. (The U.S. Department of Labor has held that it shall be no excuse that the union with which the Company has a collective bargaining agreement providing for exclusive referral failed to refer minority employees). In the event the union referral practice prevents the Company from meeting the obligations pursuant to Executive Order 11246, as amended, and these provisions, such Company shall immediately notify the Connecticut Department of Transportation.

9. Subcontracting

- A. The Company will use its best efforts to solicit bids from and to utilize minority group subcontractors, or subcontractors with meaningful minority group and female representation among their employees. Companies shall obtain a list of applicable Disadvantaged Business Enterprises firms from the Division of Contract Compliance.
- B. The Company will use its best efforts to ensure subcontractor compliance with their equal employment opportunity obligations.
- C. The General Contract Provisions entitled "Minority Business Enterprises as Subcontractors" is made part of this document by reference and its requirements are applicable to all entities proposing to do business with the Connecticut Department of Transportation.

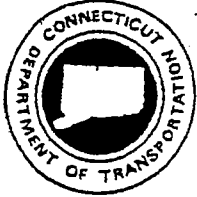
10. Records and Reports

For the duration of the project, the company will maintain records as are necessary to determine compliance with the Company's equal employment opportunity obligations and Affirmative Action requirements. Additionally, the company will submit all requested reports in the manner required by the contracting agency.

- A. The number of minority and nonminority group members and women employed in each work classification on the project.
- B. The progress and efforts being made in cooperation with unions to increase employment opportunities for minorities and women (applicable only to Companies which rely on whole or in part on unions as a source of their work force).
- C. The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minority and female employees, and
- D. The progress and efforts being made in securing the services of minority and female owned businesses.
  - (1) All such records must be retained for a period of three (3) years following completion of the contract work and shall be available at reasonable times and places for inspection by authorized representatives of the State Department of Transportation and the U.S. Department of Transportation including consultant firms.
  - (2) If on-the-job training is being required by the "Training Special Provision", the Company will be required to furnish a Monthly Training Report and Supplement Report (1409) for each trainee.

11. Affirmative Action Plan

- A. Contractors, subcontractors, vendors, suppliers, and all other Companies with contracts, agreements or purchase orders completely state funded will submit an Affirmative Action Plan if the contract value is \$5,000 or over.
- B. Contractors, subcontractors, vendors, suppliers, and all other Companies with federally-assisted contracts, agreements, or purchase orders valued at \$10,000 or more will submit an Affirmative Action Plan.
- C. Companies with contracts, agreements, or purchase orders with total dollar value under that which is stipulated in A and B above shall be exempt from the required submission of an Affirmative Action Plan unless otherwise directed by the Division of Contract Compliance.



CONNECTICUT DEPARTMENT OF TRANSPORTATION  
**POLICY STATEMENT**

Policy No. ADMIN.-19  
March 14, 2003

**SUBJECT:** Policy on Disadvantaged Business Enterprise Program

The Department of Transportation (DOT) is committed to an effective implementation of a Disadvantaged Business Enterprise (D.B.E.) Program as defined in Title 49, Code of Federal Regulations, Part 26, and includes the following objectives:

- (a) To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's highway, transit, and airport financial assistance programs;
- (b) To create a level playing field in which D.B.E.s can compete fairly for DOT-assisted contracts;
- (c) To ensure that the Department's D.B.E. Program is narrowly tailored in accordance with applicable law;
- (d) To ensure only firms that fully meet this part's eligibility standards are permitted to participate as D.B.E.s;
- (e) To help remove barriers to the participation of D.B.E.s in DOT-assisted contracts; and
- (f) To assist the development of firms that can compete successfully in the marketplace outside the D.B.E. Program.

The Director of Contract Compliance has been designated as the D.B.E. Liaison Officer. In that capacity, the Director of Contract Compliance is responsible for implementing all aspects of the D.B.E. Program. Implementation of the D.B.E. Program is accorded the same priority as compliance with all other legal obligations incurred by the Connecticut Department of Transportation in its financial assistance agreements with the U.S. Department of Transportation.

As part of the requirements for Title 49, Code of Federal Regulations, Part 26, effective immediately, I am directing the following be included in all federal-aid contracts, all financial assistance agreements, and in all subcontracts.

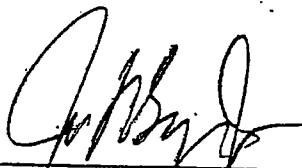
For all agreements with contractors, subcontractors, consultants, cities, towns, and all recipients of State or federal-assistance funds:

- 1) The contractor, subrecipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

In addition to the above, all financial agreements shall also contain the following statement:

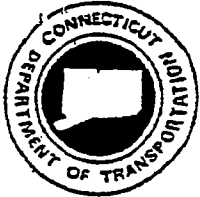
- 2) The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its D.B.E. Program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's D.B.E. Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq).

(This statement supersedes the Commissioner's Policy Statement No. ADMIN.-19, dated September 1, 1999.)



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James F. Byrnes, Jr.  
Commissioner



CONNECTICUT DEPARTMENT OF TRANSPORTATION  
**POLICY STATEMENT**

Policy No. ADMIN.-10  
March 25, 1999


SUBJECT: Code of Ethics Policy

It is the policy of the Department that all employees are to comply with Sections 1-79 through 1-89 of the Connecticut General Statutes, as amended, entitled Code of Ethics for Public Officials.

Any questions concerning the application of the Code of Ethics for specific situations should be directed to the State Ethics Commission.

The Personnel Administrator shall be responsible for issuing periodic updates and/or clarifications of previously released Personnel Memorandums concerning this Code of Ethics Policy as is deemed appropriate.

(This statement supersedes the Commissioner's Policy Statement No. ADMIN.-10, dated November 28, 1994.)

  
James F. Sullivan  
Commissioner



# STATE OF CONNECTICUT

DEPARTMENT OF REVENUE SERVICES

92 FARMINGTON AVENUE

HARTFORD, CONNECTICUT, 06106

## GOVERNMENTAL AGENCY EXEMPTION CERTIFICATE

**"I HEREBY CERTIFY:** that this agency is exempt pursuant to § 12-412 (1) of the Connecticut General Statutes, that the tangible personal property described herein which I shall purchase or lease or the service(s) which I shall purchase from:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ will be used exclusively by this governmental agency for the purposes for which it is organized and will not be resold. If a sale of meals to this agency is involved, I certify that this agency neither has been nor will be reimbursed in any manner, by donations, sales of tickets or otherwise, by the consumers of the meals for the price of such meals.

Description of property or service(s):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Purchaser State of Connecticut, Department of Transportation  
Name of Agency

By \_\_\_\_\_ Title \_\_\_\_\_

Address 2800 Berlin Turnpike, P.O. Box 317546  
Newington, Connecticut 06131-7546

Dated \_\_\_\_\_, \_\_\_\_\_

at Newington, Connecticut

State of Connecticut by His Excellency

John G. Rowland

Executive Order No. 16

WHEREAS, the State of Connecticut recognizes that workplace violence is a growing problem that must be addressed; and

WHEREAS, the State is committed to providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and /or violent acts; and

WHEREAS, violence or the threat of violence by or against any employee of the State of Connecticut or member of the public in the workplace is unacceptable and will subject the perpetrator to serious disciplinary action up to and including discharge and criminal penalties.

NOW, THEREFORE, I, John G. Rowland, Governor of the State of Connecticut, acting by virtue of the authority vested in me by the Constitution and by the statutes of this state, do hereby ORDER and DIRECT:

1. That all state agency personnel, contractors, subcontractors, and vendors comply with the following Violence in the Workplace Prevention Policy:

The State of Connecticut adopts a statewide zero tolerance policy for workplace violence.

Therefore, except as may be required as a condition of employment —

- No employee shall bring into any state worksite any weapon or dangerous instrument as defined herein.
- No employee shall use, attempt to use, or threaten to use any such weapon or dangerous instrument in a state worksite.
- No employee shall cause or threaten to cause death or physical injury to any individual in a state worksite.

Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon.

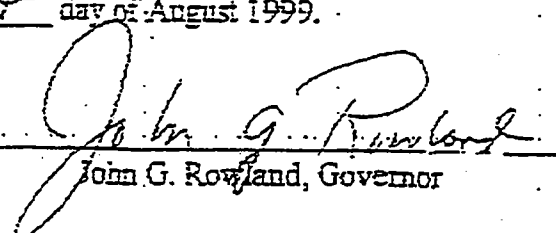
Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.

Violation of the above reasonable work rules shall subject the employee to disciplinary action up to and including discharge.

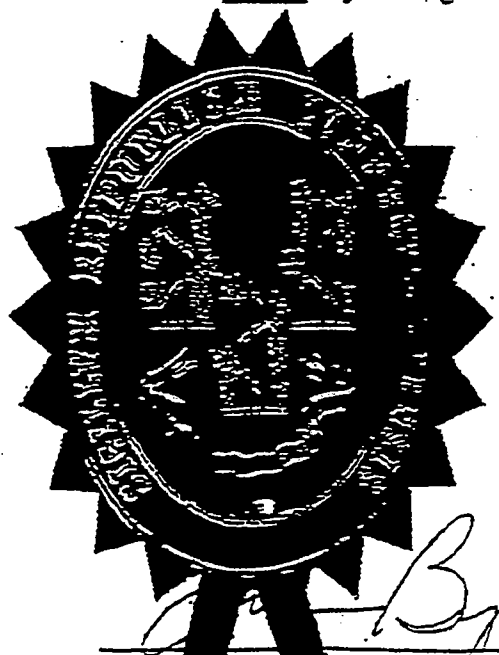
2. That each agency must prominently post this policy and that all managers and supervisors must clearly communicate this policy to all state employees.


3. That all managers and supervisors are expected to enforce this policy fairly and uniformly.
4. That any employee who feels subjected to or witnesses violent, threatening, harassing, or intimidating behavior in the workplace immediately report the incident or statement to their supervisor, manager, or human resources office.
5. That any employee who believes that there is a serious threat to their safety or the safety of others that requires immediate attention notify proper law enforcement authorities and his or her manager or supervisor.
6. That any manager or supervisor receiving such a report shall immediately contact their human resources office to evaluate, investigate and take appropriate action.
7. That all parties must cooperate fully when questioned regarding violations of this policy.
8. That all parties be advised that any weapon or dangerous instrument at the worksite will be confiscated and that there is no reasonable expectation of privacy with respect to such items in the workplace.
9. That this order applies to all state employees in the executive branch.
10. That each agency will monitor the effective implementation of this policy.
11. That this order shall take effect immediately.

Dated in Hartford, Connecticut this 4<sup>th</sup> day of August 1999.

  
John G. Rowland, Governor

Filed this 4<sup>th</sup> day of August 1999



  
Susan Bysiewicz, Secretary of the State





STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES

92 FARMINGTON AVENUE

HARTFORD, CONNECTICUT 06106

GOVERNMENTAL AGENCY
EXEMPTION CERTIFICATE

Agreement No. 5.15-99(03)

I HEREBY CERTIFY: that this agency is exempt pursuant to §12-412(1) of the Connecticut General Statutes, that the tangible personal property described herein which I shall purchase or lease or the services(s) which I shall purchase from:

The United Illuminating Company
157 Church Street
P. O. Box 1564
New Haven, CT 06506-0901

will be used exclusively by this governmental agency for the purposes for which it is organized and will not be resold. If a sale of meals to this agency is involved, I certify that this agency neither has been nor will be reimbursed in any manner, by donations, sales of tickets or otherwise, by the consumers of the meals for the price of such meals.

Description of property or service(s):

Transmission Line Agreement between the Fairfield-Westport Town Line and New Haven, Connecticut.

Purchaser State of Connecticut, Department of Transportation
Name of Agency

By [Signature] Title Bureau Chief
Bureau of Public Transportation

Address 2800 Berlin Turnpike, P. O. Box 317546
Newington, Connecticut 06131-7546

Dated 5/15, 20 03
at Newington, Connecticut

SERVICE DIRECT COSTS

Management Center

<u>Number</u>	<u>Description</u>
* TRANSPORTATION	
23341	WATERBURY
23342	DANBURY
23343	STAN MAIL BAGGA
23344	STAT EXTRA MEN
23345	CLEAN FORCE NH
23349	NON AGENCY CONN
23381	MISCODING
23393	BILLABLE NH
23395	COST TRANS NH
24331	MISCODING
24381	NH PORT BAR
24395	NH BARCAR TRANS
29304	MISCODING
30300	CO HH
30301	TRANS SUPT T&E
30302	RD FORMAN STANF
30303	SUPV TRN OPERAT
30304	CHF TRN DISP GC
30395	COST TRANSFER
30399	RWA TRAIN&ENGIN
31304	NH SUB SERVICE
31305	WORK TRN NH
31306	NH PROPOL REPAI
31307	NH T&E VACATION
31308	WIRE TRAINS
31309	NH DEAD HEAD EQ
31390	BILLABLE
31392	BILLABLE
31393	I&C ATH CLEAR T
31394	BILLABLE
31395	COST TRANSFER
31396	COST BILLED
37306	TRAIN MASTER
37307	STTION MSTR NH
37308	TRAIN MSTR STAM
37309	NH EMERGEN CREW
37393	BILLABLE TR MST
37395	COST TRANSFER
39301	BURR RD TOWER
39302	PECK BRIDGES
39303	CENTRAL TOWER
39304	DEVON TOWER
39305	NH TOWER WEST
39306	SHELL TOWER
39307	PIKE TOWER

SERVICE DIRECT COSTS

Management Center

<u>Number</u>	<u>Description</u>
*	TRANSPORTATION
39308	BERK TOWER
39309	WALK BRIDGE
39310	STAMFORD TOWER
39311	SAAD BRIDGE
39312	COB BRIDGE
39313	POSTER NEW H
39393	BILLING I&C
39395	COST TRANSFER
**	SUBTOTAL **

*	MAINT OF EQUIP
40300	MASTER MECHN NH
40395	MSTR MCH CST TR
43301	COS COB PWR PT
44300	MISCODE
44301	COS COP PWR PLT
44302	NEW HAVEN MV
44303	N H CAR SHOP
44304	DANBURY CAR SHO
44305	STAMFORD MACHIN
44306	STAM CAR CLEAN
44307	N H CAR CLEANER
44308	DANBU CAR CLEAN
44309	N H TRUING SHOP
44310	NEW ROCH CARDIS
44311	NO NORWALK CARD
44391	CONRAIL CLEAR
44392	AMTRK WRK ORDER
44393	I&C WRK ORDER
44394	CDOT WRK ORDER
44395	NH CC CLEAR ACT
45395	LOC CST TRAN NH
**	SUBTOTAL **

*	MAINTANCE OF WAY
50395	CST TRANS MW-NH
50399	COST TRANS RWA
56301	SUPV PROG TE
56304	SUPV TRACK STAM
56305	SUPV TACK BRDPT
56306	SUPV TRCK SPECL

SERVICE DIRECT COSTS

Management Center

<u>Number</u>	<u>Description</u>
* MAINTANCE OF WAY	
56307	SUPV REPAIRS
56390	H&H CLR ACCT
56391	CONRAIL CLR TRK
56393	I&C OTHCLR ACCT
56394	I&C BILLABLE
56395	H&H CC CLR ACCT
56396	BILLABLE
57301	SUPV SIGNAL STM
57302	SUPV SIGNAL
57304	SUP SGNL PRODNH
57305	SUPV COMM NH
57390	NH FO CLR ACCT
57391	CONRAIL CLR C&S
57392	AMTRACK CLR C&S
57393	I&C OTHR CLR CS
57394	
57395	NH CC CLR ACCNT
57396	
58301	SUPT ELEC TRACT
58302	CHF LD DISPT CC
58303	NH L CATENARY
58304	NH L SUBSTATION
58309	NH L STAT MAINT
58390	NH WO CLEAR ACC
58391	CONRAIL CLR E/T
58392	AMTRACK CLR I/T
58393	I&C OTHR CLR ET
58394	
58395	NH CC CLR ACCT
58396	
59301	SUPV B&B STAMFO
59391	CONRAIL CLR B&B
59393	I&C OTHER CLR
59394	
59395	NH CC CLEAR ACT
59396	
** SUBTOTAL **	
** TOTAL **	

B. Main Line Indirect Costs - The indirect operating costs of the Main Line Service shall represent the costs (other than Branch Line costs) incurred in those management centers and cost centers which cover activity performed for the Service and other operations of Metro-North, multiplied by the appropriate allocation method (described in Section V) indicated next to the management center. Such management centers and cost centers may be changed from time to time by Metro-North as provided for under Section 6.01 of the Amended and Restated Service Agreement. As of January 1, 1983, Main Line Indirect Costs represent the product of the allocation factor times the total of the costs of all the following management centers, except those costs contained in the following centers which are allocable to the Branch Lines pursuant to Section IV below.

METRO-NORTH EXPENSES ALLOCABLE  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
	* ADMIN:	
11507	MISCODING	1
11501	MISCODING	1
11595	MISCODING	1
11500	OFF OF PRES	1
11501	DIR PUB AFFS	1
11502	DIR POLY DEV	1
11503	GENERAL CNSL	1
11504	ERROR	1
11510	COMM RELATIONS	1
11511	INTNL COMMUN	1
11512	EXTNL COMMUN	1
11513	MEDIA RELATIONS	1
11514	MARKTING FROM	1
11530	CLAIMS DEPT	2
11531	INSURANCE	2
11594	MISCODING	1
11595	MISCODING	1
12500	VP HUMAN RLTS	3
12501	DIR PERSONNEL	3
12502	DIR LABOR REL	3
12504	MISCODING	3
12510	MEDICAL NY	3
12512	TRAINING DEPT	3
12513	EMPL COUNSEL	3
12514	COMP & BENEFIT	3
12515	EMP/PERS BNF	3
12516	EMPLOYEE SVC	3
12594	BILLABLE - CDOT	3
12595	COST TRANSFER	3
12500	VP FIN & ADMIN	1
13501	DIR FIN & ACC	1
13502	DIR BUDGETS	1
13503	DIR CONT ADM	1
13504	DIR SYSTEM DEV	1
13505	MISCODING	1
13506	MISCODING	1
13510	ASST DIR ACCT	1
13511	MGR GEN ACCT	1
13512	MGR ACTS PAY	1
13513	MGR PAYROLL	1
13514	MGR ACTS DRV	1
13515	MISCODING	1
13520	ASST DIR TRS	1
13521	SP DS REV-NY	1

METRO-NORTH EXPENSES ALLOCABLE  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
• ADMIN:		
13522	SP SS REL-NH	4
13523	CHECK IT	4
13524	CASH MANAGEMENT	1
13525	CREDIT COLL	1
13526	MISCODING	1
13530	AST DIR FIN	1
13531	MANGER FIN ANAL	1
13532	MANAGER	1
13533	MNGER MET-PROD	1
13540	ASST DIR AUDIT	1
13550	ASST DIR MAT DI	1
13551	DISTRICT CNTR	1
13552	MISCODING	1
13557	ASST MGR-PROD	1
13560	MGR PURC-ENG	1
13570	MGR CONTR-ITS	1
13580	MGR SPC PROD SV	1
13590	PURCH&CONT MTA	1
13594	PURCH&CONT CDOT	1
13595	COST TRANSFER	1
13596	MISCODING	1
14495	MISCODING	1
14500	VP OPERATIONS	1
14501	DIR OF SAFETY	1
14507	REGN SUP SAF	1
14510	MANPOWER CONTR	1
14595	MISCODING	1
14596	MISCODING	1
15295	COST TRAN PLANN	1
15500	VP PLAN & CAP	1
15501	DIR ENGR & DES	1
15502	DIR CONST MG	1
15503	DIR PROJ & BUD	1
15504	DIR PLANNING	1
15510	AST DIR PLANNIN	1
15511	AST DIR OP PLAN	1
15540	ASST DIR SYEAR	1
15541	AST DIR OPER	1
15590	PLANNING MTA	1
15593	I-C BILLING	1
15594	CDOT BILLING	1
15595	COST TRANSFER	1
15596	PLANNING BILLAB	1
70000	METRO-NORTH CORE	1
70000	TOEXCLUDE DEPRE	1

METRO-NORTH EXPENSES ALLOCABLE TO  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
* ADMINI		
70400	GCT CLEAR CLAIM	4
70400	GCT CLEAR OTHER	4
70402	GCTCLEAR I/S AD	4
70500	TRANS GCT CD	1
70500	SYSCLEAR I/S AD	1
70500	SYSCLEAR CLAIMS	4
70500	SYSCLEAR INSUR	4
70502	SYSCLEAR OVERHE	1
70500	SYSCLEAR CARRER	0
70500	SYSCLEAR OTHER	1
70500	SYSCLEAR DIFFER	1
** SUBTOTAL **		
* TRANSPORT		
20599	RETRO WAGES	4
21495	GCT STAT CST TR	4
21520	MGR COMM RELAT	1
21521	DR DS TRM OF	4
21523	SPV STAT COMMON	4
21595	TRANS PASS TERM	4
21596	TRANS PASS TERM	4
22201	H&H POLICE	12
22202	MISCODING	12
22291	MISCODING	12
22292	I+C BILL POLICE	12
22295	COST TRANS H&H P	12
22500	CHIEF OF POLICE	7
22501	MISCODING	7
22502	MISCODING	7
22595	COST TRANSFER	7
23510	COMPANY MAIL RM	1
23511	INFO CENTER	4
23512	H COMMISSARY	8
23591	COMPNY ML RM	1
23592	INFO CENTER	4
23594	STAT COMM BUREA	4
23595	COST TRANS DIFF	4
23961	MISCODING	4
24480	MGR COMMISSRY	8
24495	COST TRANSFER	8
30401	T&E CREW DISPAT	9
30402	TR DSPCH GCT WD	10
30403	TRANS SUPT NY	10

\*\*\* ACTUAL COST \*\*\*



METRO-NORTH EXPENSES ALLOCABLE TO  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
♦	TRANSPORT	
30404	SPV T&E CR D	10
30435	TRANSFER	10
30499	RWA DISPATCH	10
30501	T&E DISPATCHER	9
30504	CAF TRN CRW DIS	9
30506	CA TRANS OFC	9
30507	SPV OPEN ALS	9
30508	CAF RD PRMAN	9
30509	CAF TRANS OF	9
30510	SPV TRN OPER	9
30511	SPV EOP & CONT	9
30512	REPORT FOR TRAIN	9
30513	CAF OP AN LET	9
30514	SPV EOP C.T.L	9
30515	MGR ADMINSTR	9
30516	MISCODING	9
30517	MISCODING	9
30595	COST TRANSFER	9
30599	RWA	9
31103	IN WRM TRANS	20
31135	TRANS FROM GCT	9
31595	TRANS DEPT COST	5
37401	TER SPV GCT	6
37404	MISCODING	6
37406	MOTT HAVEN YARD	14
37430	MOTT HAV YARD B	14
37433	MOTT HAVEN BILL	14
37495	MOTT HAV COSTTR	14
37496	BILLING	14
37500	RELIEF YARD MAS	10
37595	MISCODING	10
39201	INTRL NK 105	14
39202	INTERLOCK DB	14
39203	INTERLOCK MO	14
39401	DIR GCT TW A	15
39402	DIR GCT TW B	15
39403	DIR GCT TW U	15
39404	DIR TOWER C	15
39405	DIR INTRL JO	16
39406	POSTER GCT	15
39495	COST TRANSFER	15
♦♦	SUBTOTAL ♦♦	

METRO-NORTH EXPENSES ALLOCABLE TO  
TO THE SERVICE

<u>Management Center</u>		<u>Service Allocation Factor</u>
<u>Number</u>	<u>Description</u>	
* MAINT EDUI		
40400	MST MEC- --/GCT	11
40490	MST MEC- BILLS	11
40495	MST MCH COSTTR	11
40500	MST MEC- REGIO	11
40501	CAF MEC- JFC	11
40523	ENGINEERING	11
40523	QUALITY CONTR	11
40524	MGR HEATING A/C	11
40525	DIR TECH SUPPOR	11
40529	EQUIP OFFICER	11
40511	SUPP PRG- MAIT	5
40595	COST TRANSFER	11
44200	HARMON SHL-	0 *** ACTUAL COST ***
44210	GCT CAR	6
44402	GCT CAR CL B	6
44494	COST WRA ORDER	6
44495	GCT CC CLEARING	6
44521	MISCODING	11
44525	COST TRANS SYS	11
45206	MISCODING	0 *** ACTUAL COST ***
45211	LOCO BREWSTER	0 *** ACTUAL COST ***
45212	LOCO FOUW-KEEPS	0 *** ACTUAL COST ***
45213	LOCO CROTON	0 *** ACTUAL COST ***
45214	LOCO GCT 49TH ST	0 *** ACTUAL COST ***
45292	AMTRK CLEAR CAR	0 *** ACTUAL COST ***
45295	MM CC CLEAR ACT	0 *** ACTUAL COST ***
45414	LOCO GCT 49 ST.	0 *** ACTUAL COST ***
45495	GCT LOCO CST TR	0 *** ACTUAL COST ***
44211	MAD AVE SHOP Y	17
** SUBTOTAL **		
* MAINT WAY		
50596	MISCODING	4
50491	MISCODING	4
50495	CST TRAN GCT MW	4
50499	CST TRANS RWA	4
50500	REGION COST	19
50505	CAF ENGINEER	19
50506	REGNL E DES&CON	19
50507	REGL ENG DES	19
50508	REGL ENG STR	18

METRO-NORTH EXPENSES ALLOCABLE TO  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
♦	MAINT WAY	
50509	REGL ENG TRN	19
50510	REGNL GRCE PLAN	19
50511	REGL CASSET	19
50512	REG ENG TRN	19
50513	REGNL COORD MID	19
50590	MISCODING	19
50591	MISCODING	19
50592	MISCODING	19
50593	MISCODING	19
50594	MISCODING	19
50595	MISCODING	19
50596	MISCODING	19
52403	MISCODING	4
57535	SYS C-S M-ERIA	12
59595	SYSTEM MAINTAIN	4
♦♦	SUBTOTAL ♦♦	

METRO-NORTH EXPENSES ALLOCABLE  
TO THE SERVICE

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Factor</u>
Common Area		
*		
56401	AST SP #IGCT	6
56490	GCT PO CLEAR AC	6
56493	GCT OTHER CLEAR	6
56495	DIST ACT GCT	6
56501	SYST RAIL GANG	***Actual Cost***
56502	SYST SUPPT-FORC	"
56503	SYST WRK TRAIN	"
56504	SYST MATERIAL F	"
56505	SYST WELDING FO	"
56595	SYS RAIL GANG	0 ***Actual Cost***
57400	MISCODING	15
57401	SUPV SIG NY	15
57402	SPV SIG SUBA	15
57403	COMMUNIC GCT	6
57490	GCT FO CLEAR AC	15
57491		15
57495	GCT CC CLEAR AC	15
57496	BILL C&S NYSDOT	15
	HARLEM LINE SEGMENT COSTS - (Cost Center Basis)	15
		Cost Center Basis
** SUBTOTAL **		
** TOTAL **		

Main Line actual cost portion of indirect management centers shall represent that cost incurred in connection with equipment used or services provided for, or services performed on the Main Line. Such actual costs represent labor and material costs which have been specifically so identified to the Main Line based on employee labor distribution and material distribution reports plus a proportionate share of the costs of time not worked, fringe costs, supervisory and other overhead costs, including departmental overhead.

Harlem Line Segment - (Cost Center Basis)

Cost incurred in the Harlem Line Segment for the following activities shall be accumulated on a cost center basis as indicated below:

Cost Categories

- a) Track Maintenance
- b) Communication and Signal operations and maintenance
- c) Bridges and Building operations and maintenance
- d) Claims

The costs in the above categories shall be charged to cost center accounts relating to activity performed in the Harlem Line Segment.

The areas of the Harlem Line Segment and the cost center accounts used as of January 1, 1983, are as indicated below. The accounts may be changed by Metro-North as provided in 6.01 of the Agreement.

<u>Cost Center</u>	<u>Area Covered</u>
29007	59th -MO
29008	MO - JO
29010	MO
29011	JO
49005	59th - MO
-----	GCT Gates - 59th

The costs accumulated by cost center represent the cost of employees working in and materials used in the above described areas and the cost of claims from incidents occurring in such areas. Such costs represent those costs which have been specifically so identified to the Harlem Line Segment based on employee labor distribution and material distribution reports, plus a proportionate share of the costs of time worked attributable thereto but not so identified, time not worked, fringe costs, supervisory and other overhead costs including departmental overhead.

The Main Line portion of the above described costs accumulated for the above described areas shall be computed by multiplying the allocation factor representing the Service proportion of appropriate car miles in each area by the total of the costs in each area.

The costs of maintenance, repair, fuel and associated costs for locomotives not dedicated to the Service, shall be accumulated on an actual cost basis. Such actual costs shall be allocated among the Service and the other services of Metro-North based on the number of unit miles of use in each service to total unit miles in use for all services of Metro-North for the year.

Third Rail Power - The service share of all direct and indirect costs of purchasing, generating and transmitting power to equipment operating in the "third rail" territory and maintaining the related facilities. The costs include departmental overhead, rental charges and claims costs. The costs are accumulated as set forth below and may be changed from time to time by Metro-North.

Third rail power includes the costs as set forth below:

A- Management Centers:

Power

31204	HH PROF POWR
58201	SPT ELEC PWR
58202	SPV TRANSMSN
58203	SPV SBST G&R
58204	SPV ELEC TST
58205	3RD RAIL MAINT
58206	TRANSMISSION H&H
58208	SUPT ELEC POWER
58290	H&H CLEARING AC
58291	CONRAIL CLEAR
58292	AMTRAK CLEARIN
58293	I&C OTHER ADVER
58294	
58295	H&H CC CLEAR AC
58296	

B- Rental Charges

C- Departmental Overhead

D- Claims relating to the "third rail" power system

All power costs are deemed to be "consumption" related except for a share (currently 25.22% as agreed between MTA and CDOT) of the following which are deemed to be "utilization related:

1. Supervisor of Transmissions (M/C 58202)
2. Rental charges for certain MTA owned equipment
3. Claims relating to the "third rail" power system.

The consumption related costs are to be allocated to the Service based on a percentage, the numerator of which is (a) the number of Service passenger car miles in the "third rail" territory of each type of revenue equipment consuming "third rail" power, times the estimated number of kilowatt hours of power consumed per car mile by each such type of equipment and the denominator of which is the number of Metro-North passenger car miles in the "third rail" territory of each type of revenue equipment consuming "third rail" power, times the estimated number of kilowatt hours of power consumed by each such type of equipment per car mile.

The utilization related costs are allocated to the Service based on a percentage, the numerator of which is the (a) number of Service passenger car miles in the "third rail" territory and the denominator of which is (b) the number of Metro-North passenger car miles in the "third rail" territory.

The percentage of the Supervisor of Transmission Costs, rental charges, paid claims which are deemed to be utilization related (currently 25.22% as agreed between MTA and CDOT) and the estimates of power consumed per car mile may be changed from time to time by Metro-North.



Main Line Administrative Costs - Main Line costs shall include a portion of the Administrative Division costs of Metro-North which have been allocated to the Service. Such portion shall be the percentage which the Main Line Net Operating Expense (excluding such administrative costs) bears to the sum of such expenses plus the Branch Line Net Operating Expense (excluding such administrative costs).

APPENDIX A  
SECTION III

Service Share  
of Grand Central Terminal Net Operating  
Deficit

The Grand Central Terminal Net Operating Deficit shall represent the Service's share of the net operating deficit (revenues less costs) of Grand Central Terminal, calculated as set forth herein. Grand Central Terminal revenues shall represent the net rental and utility charges billed to tenants located in GCT and to users of steam and electricity generated within Grand Central Terminal. Grand Central Terminal costs shall represent all direct and indirect costs associated with the maintenance, repair and passenger use of Grand Central Terminal and the 125th Street Station. Such costs shall be reduced by the amount of such costs which are billed to Amtrak or other railroads. The net rental, utility and Amtrak and other railroad charges shall represent the total charges reduced by a provision for estimated uncollectible amounts.

The Grand Central Terminal costs shall represent the costs incurred in those management centers and Cost Centers which cover activity performed solely in Grand Central Terminal and 125th Street stations. Such management centers may be changed from time to time by Metro-North as provided in Section 6.01 of the Agreement. As of January 1, 1983 GCT costs represent all costs of the management centers indicated below:

Management Center

<u>Number</u>	<u>Description</u>	<u>Service Allocation Method</u>
13456	Strkpr GCT	4
13495	Storkeep GCT TR	4
20499	Retro Wage GCT	4
22401	Police GCT	4
22493	GCT Police I&C	4
22495	Cost Trans Police	4
23283	125th Street	4
23480	GN Stn M GCT	4
23481	Sup Bldg. Svc.	4
23482	Ticket Office	4
23484	MGR Terminal OP	4
23491	GCT Billable	4
23492	GCT Billable	4
23495	GCT Transfer	4
23496	GCT Billable	4
31401	GCT Miscoding	5
31405	GCT Miscoding	4
59401	SP MTCC GCT	4
59490	GCT Clear ACT	4
59492	Amtrak Clearing	4
59493	I&C Other Clear	4
59495	GCT CC Clear	4
70300	Amtrak Recover	4

The Service's share of the Grand Central Terminal revenues shall be the total Grand Central Terminal revenues multiplied by Allocation Factor Number 4. The Service's share of the Grand Central Terminal costs shall represent the total Grand Central Terminal costs multiplied by the appropriate allocation factor indicated next to the management center.

Grand Central Terminal Revenues are set forth in ledger account 4301, which account may be changed from time to time.

BRANCH LINE NET OPERATING  
DEFICIT

The Branch Lines Net Operating Deficit calculated as set forth herein shall be the Branch Line revenue as defined below less the Branch Line costs as defined below.

Service passenger fares to/from Branch Line Stations to/from Main Line Stations or GCT may not be less than the fares to/from the connecting Main Line Stations (Stamford, Norwalk or Bridgeport) to/from Grand Central Terminal or other Main Line Stations. The Branch Line revenue represents the revenue attributable to travel to/from a station on the Branch Line to/from the nearest passenger station on the Main Line (Stamford, Norwalk or Bridgeport). Such revenue shall be computed by multiplying the revenue from Branch Line ticket sales per revenue passenger mile times the number of revenue passenger miles of travel on the Branch Line as described above. For the purpose of this computation, if such data is not readily available, the computation will be made on a sampling basis. The month of October in each year is generally deemed to be a representative sample. Branch Line cash sales revenue shall be calculated by multiplying the Branch Line revenues from the ticket sales at stations as described above times a fraction of the numerator of which is the cash ticket sales revenue on New Haven Line trains and the denominator of which is the New Haven Line passenger revenues for ticket sales other than cash sales. Branch Line revenue shall include all revenues from transportation displays, parking and concessions at Branch Line Stations.

Branch Line operating expenses shall be computed so as to include all material and labor costs of the Branch Lines based, where appropriate, on employee labor distribution and material distribution reports plus a proportional share of the costs of time not worked, fringe costs, supervisory and other overhead costs including departmental overhead. Management centers and cost centers used by Metro-North to accumulate Branch Line costs may be changed from time to time by Metro-North as provided in Section 6.01 of the Agreement.

Branch Lines costs shall represent the following:

Maintenance of Equipment Costs

- a) All propulsion fuel and power used by equipment on the Branch Lines. Electric power costs shall be computed pursuant to the power formula on a per car mile basis times the number of car miles traveled on the Branch Lines.
  
- b) Costs of maintenance and repair of passenger and other equipment used on the Branch Lines. To the extent that the equipment is primarily used on the Branch Lines, all of the costs shall be so charged. To the extent that the equipment is generally used both on the Branch Lines and on the Main Line, the total costs of maintenance and repair of such equipment shall be accumulated and divided by the number of revenue car miles traveled by such equipment to derive a cost per revenue car mile. Branch Line costs shall be computed by multiplying the cost per revenue car mile so derived times the number of revenue car miles traveled on the Branch Lines.

- c) All of the costs of cleaning cars used primarily on the Branch Lines shall be charged to the Branch Lines. To the extent that the cars are used both on the Branch Line and the Main Line, the costs shall be computed for the Service fleet on a fleet-wide basis divided by the number of days of car service. The cost per car day, times the number of days the cars are assigned to Branch Lines service shall represent the Branch Lines cost.

Maintenance of Way Costs -- This shall represent the costs of maintaining the trackage and right of way on the Branch Lines to and including the interlocker with the Main Line. Such costs shall include a portion of the costs associated with interlockers and towers on the Main Line for the Branch Lines. A portion of the yard costs for yards used by Branch Lines equipment shall be allocated to the Branch Lines. The costs associated with the Berk, Devon and Stamford Towers and interlockers shall be charged to the Branch Lines in proportion to the number of Branch Lines trains passing such points to the total number of Metro-North trains passing such points. Yard costs charged to the Branch Lines shall be that percentage of the yard costs for each yard used by Branch Lines trains which the number of Branch Lines trains using the yard bears to the total number of trains using the yard.

Transportation Costs -- This shall represent the costs of conductors, trainmen and engineers who are required, under existing labor contracts as they may be amended from time to time, to serve the trains operating on the Branch Lines. The costs of crews working on through trains operating on the Branch Lines and the Main Line shall be allocated to the Branch Lines based on the number of train miles (including deadheads) on the Branch Line for such trains to the total train miles of such trains. The costs of operations and maintenance for all stations on the Branch Lines and a portion of the costs of Main Line stations shall be a cost of the Branch Lines. The portion of the cost of Main Line stations charged to the Branch Lines shall represent that percentage which the number of trains stopping at that station which serve Branch Lines bears to the total number of trains stopping at that station.

These costs shall include time paid for and not worked, fringe costs, supervisory and other overhead costs including departmental overhead.

Claims -- The cost of claims arising on the Branch Lines shall be so charged.

Branch Lines costs shall include a portion of the Administrative Division costs of Metro-North which have been allocated to the Service. Such portion shall be the percentage which the Branch Line Net Operating Expenses (excluding such administrative costs) bears to the sum of such expenses plus the Main Line Expenses (excluding such administrative costs).

Service Allocation Factors

The allocation factors to be applied to the operating costs of Metro-North to compute the Service's share thereof are set forth below.

These allocation factors are to be computed on annual basis by Metro-North and are to be applied to the expenses of that year for which the computation is made. The computations shall be based on revenues and expenses computed in accordance with the accounting principles specified for Service. Pending such annual computation, the allocation factors of the prior year shall be used in the computation.

<u>Number</u>	<u>Factor</u> <u>Description</u>
1.	<u>General and Administrative</u> - (a) Service operating expenses other than those of the Administrative Division allocated by this factor and other than car and locomotive overhaul costs to (b) Metro-North operating expenses other than the Administrative Division expenses allocated by this factor and other than car and locomotive overhaul costs.
2.	<u>Claims</u> - (a) Dollar amount of claims settled allocable directly or indirectly to the Service to (b) Dollar amount of claims settled allocable to Metro-North. The Service's share of claims arising from



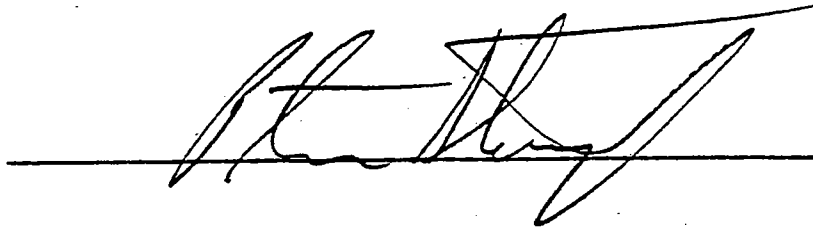
incidents at Grand Central Terminal shall be allocated based on the number of Service revenue passengers to the number of Metro-North revenue passengers (Allocator No. 4). Claims arising from incidents involving the Service's passenger service in the Harlem Line Segment shall be charged to the Main Line expenses of such Service. Claims arising from incidents in such areas which are not directly attributable to the Service or other Metro North services, shall be allocated based on the respective number of New Haven and other line car miles (including deadheads) in such common area.

3. Number of Transportation Employees - (a) Number of Service Transportation Division Employees to (b) Number of Metro-North Transportation Division Employees. In each case, such employee counts shall represent the average of the number of such employees paid in payrolls closest to January 1, June 30 and December 31 of each year.

4. Revenue Passengers - Number of the (a) revenue passengers boarding Service trains to (b) the number of revenue passengers boarding Metro-North trains.

INCUMBENCY CERTIFICATE

I, the undersigned Walter E. Zullig, Jr., being the duly appointed and incumbent secretary of Metro-North Commuter Railroad Company ("Metro-North") do hereby certify that at all times since September 22, 1982, Peter Stangl has been the duly elected and incumbent President and General Manager of Metro-North and that a true and correct specimen of his signature is set forth in the space below:

A handwritten signature in black ink, appearing to read "Peter Stangl", is written over a horizontal line. The signature is stylized with large, sweeping letters.

In Witness Whereof, I have hereunto set my hand and the seal of Metro-North on this 24 day of June, 1985.

A handwritten signature in black ink, appearing to read "Walter E. Zullig, Jr.", is written over a horizontal line. The signature is written in a cursive style.

Walter E. Zullig, Jr.

APPENDIX A

APPENDIX A  
SECTION I

UNIFORM ACCOUNTING PRINCIPLES FOR SERVICE

Introduction - The accounting principles and definitions specified in this Appendix are -intended to provide the basis on which costs and revenue are to be computed under the Amended and Restated Service Agreement.

Where the term "generally accepted accounting principles" ("GAAP") is applied and there is no further description of the methodology to be used, GAAP controls. Where such term is used and a further description of the methodology is used, it is intended that the methodology as described governs. These provisions need not be applied by Metro North to immaterial items. Metro North shall be free to follow, without any justification to CDOT whatever, other accounting principles or recordkeeping or allocations methods it so desires for operations other than the Service, provided such accounting principles or record keeping or allocation methods have no impact on the Service.

The capitalized terms used and not otherwise defined herein shall have the meaning assigned to them in the Amended and Restated Service Agreement.

Service Revenues - Service Revenues shall represent all Service passenger fares; bar car and cart revenues from Service passengers; transportation display revenue from Service stations and Service passenger trains; parking and concession revenue from Service stations other than Grand Central Terminal and 125th Street, rental of equipment whose purchase cost was funded jointly by CDOT and MTA; revenue from other railroads for power and services supplied to them and for passenger and freight trackage rights used by them, net proceeds from claims against third parties, revenues included in the computation of the Grand Central Terminal Net Operating Deficit and Branch Lines Net Operating Deficit. The Service revenues from other railroads shall be accounted for as a cost reimbursement and credited as an offset to the accounts containing the billable cost, except that Amtrak passenger revenue shall be recorded as a revenue account. Revenue shall exclude revenue from fibre optics facilities, air rights and similar rights which are granted at the option of MTA or CDOT and include revenues from latitudinal crossings on or below surface (including "pipe and wire" agreements). Revenues shall be computed on an accrual basis accounting in accordance with generally accepted accounting principles. All revenues shall be credited to the Service as earned.

A provision for the estimated amount of Service Revenues earned, which Metro North anticipates may not be realized in cash, shall be charged as a reduction to Service Revenues on a monthly basis. This provision shall represent a reasonable estimate by Metro-North at the time thereof.

Service Costs - Service costs shall represent all direct and indirect costs of providing the Service passenger services, including costs of Metro-North Administration, Transportation, Maintenance of Way, and Maintenance of Equipment and costs associated with service provided to Amtrak and Conrail and their successors and costs included in the Grand Central Terminal Net Operating Deficit and Branch Lines Net Operating Deficit as more fully described in Sections II, III and IV hereof. Except for depreciation and amortization, claims, vacation pay costs and immaterial items, all costs shall be computed on an accrual basis in accordance with generally accepted accounting principles and shall be recorded on an accrual basis as incurred. Claims costs and vacation pay costs shall be computed on a "cash" basis and charged to Service Costs as payments are made for such items. A provision for the estimated amount of Service Costs incurred which Metro-North believes have not otherwise been recorded in the Accounts shall be recorded as a charge to the Service on a monthly basis. This cost shall represent a reasonable estimate by Metro-North at the time it is recorded and shall be adjusted in each subsequent month as a result of information which comes to the attention of Metro-North. Service costs shall exclude the costs associated with fibre optics facilities, air rights and similar rights which have been incurred by choice of either MTA or CDOT and shall include costs associated with latitudinal crossings on or below surface (including "pipe and wire" agreements).

Service Costs shall represent:

- a) Main Line costs, including costs incurred in the Harlem Line Segment.
- b) Service share of the Grand Central Terminal Net Operating Deficit
- c) Branch Line costs

Transition Cost and Revenue Adjustment - Service Costs and Service Revenues recorded effective January 1, 1983, in accordance with generally accepted accounting principles as indicated herein, and which previously had been recorded on some other basis (such as the cash basis), shall include an appropriate adjustment in 1983 to reflect in such year any Service Costs or Service Revenues applicable to the period prior to January 1, 1983 which otherwise would not have been so recorded because of the change in the method of accounting.

Inventory Deposit - Effective January 1, 1983, and adjusted annually thereafter, CDOT shall deposit with Metro-North a deposit amount for inventory which has been purchased and not yet used in the operation of the Service. Such deposit will be made by March 31 of each year and shall be computed as follows:

- a) The inventory amount at storerooms from which parts are withdrawn for the Service shall be computed as indicated in this Appendix as of January 1 of each year, net of obsolescence reserves and net of amounts which have been paid for by Metro-North subsequent to February 28 of such year.
- b) The Service prior year percentage portion of usage of parts at that storeroom shall be applied to such inventory amounts. Where parts are transferred from a central storehouse, a computation shall be made by applying the usage percentage of the storerooms using such parts.
- c) CDOT shall pay a deposit equal to 60% of the amount computed above.

Estimated Revenue and Expense Adjustments and Valuation Adjustments

An estimate of Service Revenues earned which have not been received and estimates of Service Costs which are not otherwise reflected in the accounts shall be recorded on a monthly basis in the financial statements and computed in accordance with generally accepted accounting principles. Valuation adjustments represent estimates of Service Costs or Service Revenues which are not precisely determinable, such as estimated losses from bad debts or adjustments, inventory obsolescence and shortage, estimated retroactive wages and similar items. The estimated amounts of these Service Costs and Service Revenues shall be the sole determination of Metro-North and its independent auditors examining the financial statements of Metro-North. Such amounts shall be subject to audit adjustment only if, at the time of the original estimate, Metro-North knew that the estimated amounts were not reasonable and were not in accordance with generally accepted accounting principles in all material respects. Changes in the amounts shall be accounted for as "changes in estimates" as such term is used under generally accepted accounting principles and accordingly reflected in the financial statements which are prepared after the information is first obtained by Metro-North indicating such estimates required change. Audit adjustments, if any, shall be reflected in the month that management of Metro-North knew that the estimated amounts were not reasonable in all material respects.



Maintenance and Repair Parts and Material - The cost of maintenance and repair parts and material shall be charged as a cost of the Service in the following manner based on the regular methods of classification used by Metro-North:

Stock items which are customarily maintained in storehouse perpetual inventories shall be charged to the Service as such items are withdrawn from the storerooms.

Non-Stock items represent items which are not accounted for in Metro-North perpetual inventory records such as items purchased and directly charged to expense and "pool parts" and similar items. The costs of these items shall be charged to the Service as such items are received from vendors.

Parts removed from Service equipment, including items requiring repair, shall be carried at no or nominal value. Parts refurbished for the Service shall be charged to the Service as the refurbishment costs are incurred. Other refurbished parts shall be charged to the Service as such items are withdrawn from the storerooms.

Inventory - The carrying amounts of the quantities on hand and used shall be computed based on an average unit cost method used by Metro-North

and may exclude freight, duty and similar costs if such exclusion is not material to the financial results of operations of the Service as a whole. Freight, duty and similar costs may be charged as a cost of the Service as incurred.

The inventory carrying amounts shall be reduced in accordance with generally accepted accounting principles for estimated obsolescence of the parts on hand and an estimated shortage between the carrying amounts and the amounts actually on hand. The provision for estimated obsolescence and inventory shortage shall be charged as a cost of the Service on a monthly basis. Metro-North may account for that portion of the parts on hand in excess of an estimated three year supply as if such excess stock were obsolete. The provision for obsolescence of parts purchased for and/or used by the Service principally or exclusively shall be charged to such Service. The provision for obsolescence of parts used for the Service and other services operated by Metro-North, shall be allocated to the respective services in the proportion of their use during the last three years of use.

Inventory shortages provisions shall be estimated on a storeroom by storeroom basis and charged to the Service based on the estimated proportion of parts withdrawn from that storeroom for the Service in that year.

Parts scrapped or removed for salvage shall be charged as an expense of the Service to the extent that the cost thereof has not been included in obsolescence charges.

Depreciation and Amortization - There shall be no charge to the Service for depreciation and amortization of assets used directly or indirectly by the Service.

Payroll, Payroll Taxes, Insurance and Fringe Benefit Costs - Payroll costs charged to the Service, excluding Vacation pay, shall be computed on an accrual basis and include salaries and wages earned but not paid. Such costs shall include a provision for holiday, sick leave and other amounts customarily paid for time not worked, unpaid wage claims, wage and salary adjustments estimated to be payable on the settlement of union or other negotiations (retroactive pay) and similar items, all computed on a monthly accrual basis as earned in accordance with generally accepted accounting principles. Payroll costs shall include amounts applicable to the Service which have been incurred by non-Service personnel. Payroll costs incurred for capital projects shall be so charged. Vacation pay shall be charged as an expense of the Service on a cash basis as such amounts are paid.

Payroll taxes, Railroad Retirement and other payroll unemployment insurance, pension costs, and the cost of all other "fringe benefits" shall be computed on an accrual basis. Pension costs chargeable

to the Service shall be computed in accordance with generally accepted accounting principles applicable to non-government pension plans. Metro-North is under no obligation to fund pension and retirement costs accrued.

Transactions with MTA and constituent agencies shall be recorded at the amounts billed by such agencies for services. Such billings will be computed at amounts determined by managements of such other agencies.

Claims - The Service shall be charged for its appropriate share of the estimated uninsured amount paid upon the settlement of property damage, personal injury and all other claims arising from providing all passenger and other services on the Service and the Service's share of the cost of claims arising from all services provided by Metro-North.

Departmental Overhead - Departmental overhead shall represent all of the costs within a management center other than the direct costs attributable to performing the service charged to that management center and those management centers containing the associated supervisory and support costs. Thus, supervisory, administrative employees and other general expenses, contained within the same management center and associated management centers, represent departmental overhead which should be allocated in an appropriate manner consistent with the allocation of the direct cost of such management center.

Actual Cost - Activities chargeable to the Service on an actual cost basis shall include all material, labor, overhead and administrative costs. The direct cost of the materials used shall be charged, plus a reasonable allocation of costs associated with the purchase, storage and handling of such material. Labor costs shall represent the direct cost thereof plus allocation of the costs of time not worked, fringe benefits, supervisory costs and similar charges, plus departmental overhead. Administrative costs representing an allocation of the costs incurred by operating departments (departmental overhead) shall also be charged and shall be computed on a reasonable basis. To the extent that such costs have been so allocated, a corresponding offset, if required, will be reflected associated with the management centers and cost centers containing the costs so allocated.

MAIN LINE NET OPERATING DEFICIT

Main Line Net Operating Deficit calculated as set forth herein, shall represent the net operating deficit (revenues net of the expenses) of the Service, excluding the (i) Grand Central Terminal Net Operating Deficit and the (ii) Branch Line Net Operating Deficit.

Main Line revenues shall represent: (1) all Service passenger fares, excluding that portion of passenger fares included in the Branch Line Net Operating Deficit, (2) bar car and car cart revenues from Service passengers, (3) transportation display revenues from Main Line stations and all Main Line passenger trains, (4) parking and concession revenue from all Main Line stations other than 125th Street and Grand Central Terminal (5) revenue from other railroads for power and services supplied to them and for passenger and trackage rights used by them and (6) net proceeds from claims against third parties. The Main Line costs shall represent the direct and indirect operating costs as set forth in sub-sections A and B hereto, plus costs of claims arising on the Main Line.

The Main Line revenues shall include the Service's appropriate share of revenues as recorded in the accounts listed below, except those revenues contained in the following accounts which are allocable to the Branch Lines. Such ledger accounts may be changed from time to time by Metro-North as provided for under Section 6.01 of the Agreement.

A. Main Line Direct Costs - The direct operating costs of the Main Line Service shall represent the costs other than Branch Line costs, as set forth in Section IV below, incurred in those management centers and cost centers which cover activity performed solely for the Service. Such management centers and cost centers may be changed from time to time by Metro-North as provided for under Section 6.01 of the Amended and Restated Service Agreement. As of January 1, 1983, Main Line direct operating costs represent all costs of the following management centers, except those costs contained in the following management centers which are allocable to the Branch Lines pursuant to Section IV below.

Main Line Service Revenues

<u>Account</u>	<u>Description</u>
	<u>Passenger Revenue</u>
4101	Monthly Commutation - Regular
4102	Monthly Commutation - School
4103	Weekly Commutation
4104	Off-Peak Round Trip
4105	Off-Peak Round Trip Cash Sales
4106	One-Way - Regular
4107	One-Way - Regular Cash Sales
4108	One-Way Off-Peak
4109	One-Way Off-Peak Cash Sales
4110	One-Way Senior Citizen & Handicap
4111	One-Way Senior Citizen & Handicap
4112	Miscellaneous Passenger Revenue
4113	Amtrak Passenger Revenue
4114	Redemption
4115	Miscellaneous Adjustment
4201	Dining and Buffet
4302	Concession Revenues other than GCT



SERVICE DIRECT COSTS

Management Center

<u>Number</u>	<u>Description</u>
* ADMINISTRATION	
12511	MEDICAL (NH) TRAINING
12311	MEDICAL N H
13324	CHECK-IT NEW HA
13352	STORE KEEPER NH
13353	STORE NH CONV
13394	MISCODING
13395	MISCODING
70300	AMTRACK RECOVER
70300	NH CLEAR CLAIMS
70300	NH CLEAR INS
70300	INV ADJUSTMENT
70300	NH CLEAR OTHER
** SUBTOTAL **	
* TRANSPORTATION	
20399	RETROWAGE NH ST
21301	SUPV STATION NH
21395	COST TRANSFER
22301	N.H.POLICE
22305	MISCODING
22335	MISCODING
22395	COST TRANSFER
23309	NON AGENCY
23310	PELHAM
23312	NEW ROCHELLE
23313	LARCHMONT
23314	MAMORNECK
23315	HARRISON
23316	RYE
23317	PORT CHESTER
23318	GREENWICH
23319	NON AGENCY CONN
23321	OLD GREENWICH
23322	STAMFORD
23325	NEW CANNAN
23327	DARIEN
23328	SOUTH NORWALK
23329	WESTPORT
23331	FAIRFIELD
23332	BRDG PORT TKS
23335	NEW HAVEN TKS
23336	WILTON

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owned or to be acquired which are used to perform administrative functions with respect to the Service, including but not limited to computers, train control systems, power-control systems, automatic ticket selling and fare collection systems and equipment, training and other facilities, buildings, improvements and equipment or any portion thereof.

"Allocations" means MTA's and CDOT's respective shares of the operating deficits and Capital Costs of the Service as set forth in Articles Three and Five hereof.

"Approved Budget" for any year means the capital and operating budgets presented by Metro-North on or about October 1 of the preceding year as approved pursuant to the procedures set forth in Section 6.04 below.

"Award" has the meaning set forth in the recitals hereto.

"Branch Lines" means (a) the New Canaan Branch, (b) the Waterbury Branch, and (c) the Danbury Branch as described generally herein and more specifically set forth on the maps referred to in Appendix F.

"Branch Line Service" means those portions of the Service, as it shall be constituted from time to time, which serve passengers who use stations along the New Canaan, Waterbury and Danbury Branch Lines.

"Branch Lines Net Operating Deficit", calculated

according to the method set forth in Appendix A, includes all costs of and revenues derived from providing Branch Line Service.

"Capital Assets" means those assets used or to be used in whole or in part for the Service which: (1) are deemed to be capital assets in accordance with generally accepted accounting principles including, where applicable, generally accepted railroad accounting principles, (2) have an estimated useful life of more than three years from the date of acquisition, and (3) have or had an acquisition cost per unit of over five thousand dollars (\$5,000).

"Capital Costs" means the costs, direct and indirect, of a Capital Asset, including but not limited to the purchase price, labor and materials costs, other acquisition costs in accordance with generally accepted accounting principles, and the estimated costs of contract administration including associated overhead expenses, but not including depreciation.

"CDOT" means the person named as "CDOT" in the first paragraph of this Agreement.

"Danbury Branch" means that portion of the Service extending from its junction with the Main Line in the City of Norwalk, County of Fairfield and State of Connecticut and thence running in a general northerly direction through the



City of Norwalk, the Towns of Wilton, Ridgefield, Redding, Bethel and the Town and City of Danbury, all in the County of Fairfield and State of Connecticut, to the Danbury passenger station along with a portion of the Maybrook freight line extending from said station to the southerly line of White Street.

"Effective Date" means the date set forth in Section 12.01.

"Emergency" means a Temporary situation or circumstance which is unforeseen and not planned for in the Approved Budget.

"GCT Joint Facilities Agreement" has the meaning set forth in the recitals hereto.

"Grand Central Terminal" means that portion of the terminal building of the New Haven Line located on 42nd Street in New York City identified in the map or maps referred to in Appendix B hereto.

"Grand Central Terminal Net Operating Deficit", calculated according to the method set forth in Appendix A, means the Service's share of the net operating deficit of Grand Central Terminal.

"Harlem Line Segment" means, for the purposes of this Agreement only, that portion of the Main Line which begins at milepost 0.0 at Grand Central Terminal and ends

at milepost 11.8 at Woodlawn over which the Service operates.

"Interim Service Agreement" has the meaning set forth in the recitals hereto.

"Main Line" means the New Haven Line and the allocated portions of the Harlem Line Segment which are between milepost 0.0 of the Harlem Line and 72.8 of the New Haven Line over which the Service operates, provided, however that the Main Line excludes the Branch Line Service and Grand Central Terminal.

"Main Line Net Operating Deficit", calculated according to the method set forth in Appendix A, means the net operating deficit of the Service excluding the Grand Central Terminal Net Operating Deficit and the Branch Lines Net Operating Deficit.

"Metro-North" means the person named as "Metro-North" in the first paragraph of this Agreement.

"Moveable Capital Assets" means (1) all Capital Assets which are not Nonmoveable Capital Assets and (2) all Administrative Assets.

"MTA" means the person named as "MTA" in the first paragraph of this Agreement.

"New Canaan Branch" means that portion of the Service extending from its junction with the Main Line in the Town of Stamford, County of Fairfield and State of Connec-

ticut and thence running in a general northerly direction through the Towns of Stamford, Darien, and New Canaan in the County of Fairfield and the State of Connecticut to the end of said New Canaan Branch in New Canaan.

"New Haven Line" means that portion of the Main Line which begins at milepost 11.8 at Woodlawn and ends at milepost 72.8 in New Haven, Connecticut over which the Service operates, and as further shown on the valuation maps referred to in Appendix F and being the same property over which the service has operated since January 1, 1971.

"Nonmoveable Capital Assets" means all Capital Assets excluding Administrative Assets which will not be relocated from their original site during their estimated useful life, including, but not limited to, land, stations and other buildings, real property additions, bridges, towers, track, road bed, fixed signals, third rail, catenary systems, substations and power generating plants.

"Prime Rate" means the rate of interest announced by The Connecticut Bank and Trust Company, N.A. or its successor from time to time as its prime rate.

"Service," "Service Consists" and "Service Schedule" are defined in Section 2.01.

"Service Contract" is defined in the recitals hereto.

"Service Costs" are defined in Section 6.03.

"Service Fares" are the fares charged and collected for passage on trains operated for the Service pursuant to Section 2.03.

"Service Revenues" are defined in Section 6.02.

"Temporary" means the limited period of time during which Metro-North is required to take certain acts to ensure the safe and reasonable operation of the Service where such acts are necessitated by operational, legal or safety considerations.

"Waterbury Branch" means that portion of the service extending from its junction with the Main Line in the Town of Milford and thence running in a general northerly direction through the Towns of Milford, Orange, Derby, Ansonia, Seymour, Beacon Falls and Naugatuck and the City of Waterbury, all in New Haven County and State of Connecticut, to the southerly line of Freight Street in the City of Waterbury.

## ARTICLE TWO

### THE SERVICE AND ITS OPERATION

SECTION 2.01. The Service. The Service shall consist of all activities and functions including maintenance and operations associated with the trains scheduled in the Service Schedule set forth in Appendix C, each such train

being made up according to the Service Consists set forth in Appendix D, as such train schedules and consists may be modified from time to time as provided in Section 2.04 below, together with any other transportation offered on a Temporary basis as a substitute.

SECTION 2.02. Operation of the Service. Metro-North shall have responsibility for the day-to-day operation of the Service, as it shall be constituted from time to time pursuant to the terms of this Agreement and shall provide the necessary crews, work force and supervisory personnel, none of whom shall be deemed to be employees of CDOT. The Service shall be operated with the objective of providing timely, efficient, clean and courteous service to the public on a continuing basis. Metro-North has the right to incur and charge to the Accounts all capital and operating expenses necessary to carry out its responsibility for the day-to-day operation of the Service, and to incur and charge such expenses at such times as it deems appropriate consistent with the Approved Budget. Metro-North, MTA and CDOT agree to acquire and maintain the Capital Assets which are necessary to continue the Service on the Main Line at the level of service which is agreed upon by the parties from time to time pursuant to this Agreement. For the duration of this Agreement all trains operated for the Service shall have access to the

Main Line, the New Canaan, Waterbury and Danbury Branch Lines and Grand Central Terminal.

SECTION 2.03. Service Fares. Metro-North shall charge and collect for the use of the Service the Service Fares set forth in Appendix E as amended from time to time as provided in Section 2.04 below.

SECTION 2.04. Modification of the Service.

(a) Metro-North shall have the right to amend the Service Schedule, the Service Consists, or both, with respect to the Service operated for the Main Line, subject to the prior consent of MTA and CDOT. In addition to the foregoing, Metro-North shall have the unilateral right to make Temporary changes in the Service Schedule or Service Consists or both with respect to the Service operated for the Main Line.

(b) MTA and CDOT shall each have the right to propose amendments to the Service Fares for the Main Line. Any such proposed amendment shall be implemented by Metro-North provided the proposed amendment is approved by both MTA and CDOT.

(c) CDOT shall have the right to amend the Service Schedule, the Service Consists, the Service Fares, or any one of them with respect to the Branch Line Service provided however that Service Fares for Branch Line Service to or from stations on the Branch Lines to or from stations on the Main

Line or Grand Central Terminal may not be less than the fares to or from the connecting stations on the Main Line (Stamford, Norwalk or Bridgeport) to or from Grand Central Terminal or other stations on the Main Line. CDOT shall notify MTA and Metro-North of any proposed amendment to the Branch Line Service at least 60 days prior to the date on which notice of such amendment is anticipated to be made public, or longer if required by union contracts.

Notwithstanding the foregoing, Metro-North shall have the right to make Temporary changes in the Service Schedule or Service Consists or both with respect to the Branch Line Service and shall have the right to adjust schedules for the Branch Line Service by up to five minutes to allow synchronization of Branch Line schedules with Main Line schedules. Metro-North shall also have the right to propose changes in the Service Schedule, Service Consists, or Service Fares with respect to the Branch Line Service.

SECTION 2.05. Service Meetings. Upon the request of Metro-North or CDOT, service meetings shall be conducted at times and places agreeable to Metro-North and CDOT. Such meetings will be scheduled at least two weeks in advance, and shall not be required to be held more than once per month except in unusual circumstances. By written notice to the other parties one week before the scheduled meeting date,

Metro-North or CDOT may place specific items on the agenda for such meeting. In addition, by written notice to MTA and Metro-North, at least one week before the scheduled meeting date, CDOT may request that MTA attend any scheduled service meeting and MTA, if so requested, will attend.

SECTION 2.06. Provision of Information to CDOT and MTA.

(a) At such times and locations and under such advance notice and other procedures as may be agreed upon from time to time by the parties, CDOT will have access to Metro-North and MTA personnel, records, reports, payroll records of Metro-North employees and MTA employees employed by Metro-North in the Service, studies and other information concerning the operations and financing of the Service. Neither CDOT nor the State of Connecticut shall be entitled to the actual personnel records of any such individual employee of Metro-North or MTA, but shall only be entitled to the general results of any disciplinary hearings. Neither CDOT nor the State of Connecticut shall have access to any records or other personal information prohibited by NY Public Officers Law § 96 (McKinney 1983). Additionally, neither CDOT nor the State of Connecticut shall be entitled to information which is privileged or proprietary in nature to Metro-North or MTA and is being or has been prepared by Metro-



North or MTA to defend or assert a case or controversy by or against CDOT or the State of Connecticut unless access to such information is ordered by a court of competent jurisdiction.

(b) At such times and locations and under such advance notice and other procedures as may be agreed upon from time to time by the parties, MTA and Metro-North will have access to CDOT personnel, records, reports, studies and other information concerning the operations and financing of the Service. MTA and Metro-North shall not be entitled to the actual personnel records of an individual employee of CDOT, but shall only be entitled to the general results of any disciplinary hearings. MTA and Metro-North shall not have access to any public records, as defined under Conn. Gen. Stat. § 1-18a(d), prohibited from disclosure under Conn. Gen. Stat. § 1-19(b). Additionally, MTA and Metro-North shall not be entitled to information which is privileged or proprietary in nature to CDOT and is being or has been prepared by CDOT to defend or assert a case or controversy by or against MTA or Metro-North unless access to such information is ordered by a court of competent jurisdiction.

ARTICLE THREE

ALLOCATION AND PAYMENT OF OPERATING DEFICITS

SECTION 3.01. Main Line. Commencing as of January 1, 1983, 56.32 percent of the Main Line Net Operating Deficit shall be allocated to and paid by CDOT in the manner set forth in Sections 3.04 and 3.05 hereof and 43.68 percent shall be allocated to and paid by MTA, subject to adjustment pursuant to the timetable of Section 3.04 hereof.

SECTION 3.02. Branch Lines. Commencing as of January 1, 1983, one hundred percent (100%) of the Branch Lines Net Operating Deficit shall be allocated to and paid by CDOT in the manner set forth in Sections 3.04 and 3.05 hereof.

SECTION 3.03. Grand Central Terminal. Commencing as of January 1, 1983, fifty-three percent (53%) of the Grand Central Terminal Net Operating Deficit shall be allocated to and paid by CDOT in the manner set forth in Sections 3.04 and 3.05 hereof and forty-seven percent (47%) shall be allocated to and paid by MTA.

SECTION 3.04. Adjustment of Prior Payments. Within 30 days of the date of this Agreement Metro-North shall determine the difference between (i) the amount that would have been payable by CDOT during the period from January 1, 1983 to the date of this Agreement if the

provisions of Sections 3.01, 3.02 and 3.03 hereof had been in effect during such period and (ii) the amount actually paid by CDOT during such period pursuant to Section 2 of the Interim Service Agreement and as a management fee and fee for the inclusion of the Waterbury Branch in the Service pursuant to Section 3(e) of the Interim Service Agreement. Such determination shall be made in accordance with the principles and procedures set forth in Appendix A hereto. CDOT agrees to pay to Metro-North the amount of such difference within 30 days of CDOT's receipt of such written determination.

SECTION 3.05. General Provisions as to Payments.

(a) Metro-North agrees to provide CDOT on or about the first day of each month with a statement dated such first day of amounts payable by CDOT hereunder in respect of the following month (the "Statement"), computed on the basis of the operating portion of the Approved Budget, adjusted to reflect the deviation between the actual costs and actual revenues for the month two months prior to the date of the Statement and the costs and revenues for such earlier month computed on the basis of the Approved Budget. Metro-North further agrees to provide CDOT with a written explanation in form and content identical to the written explanation provided to the President of Metro-North of the reasons for any significant deviation with respect to the Service in

costs or revenues for such earlier month computed on the basis of the Approved Budget. CDOT agrees to pay the amounts payable as reflected in each Statement within 30 days of receipt of each statement.

(b) Within thirty days of the receipt by Metro-North from its independent certified public accountants of their report on the annual financial statements of Metro-North, Metro-North shall provide CDOT with a statement (the "Adjusted Statement"), which shall reflect any adjustments in amounts paid or payable by CDOT hereunder for the period covered by such audit. CDOT agrees to pay Metro-North any amounts payable pursuant to the Adjusted Statement within thirty days of its receipt. Any amounts due to CDOT pursuant to the Adjusted Statement shall be deducted from the amounts due and payable in the next Statement provided to CDOT by Metro-North.

(c) CDOT shall not be entitled to withhold any amounts due and payable as set forth in any Statement or Adjusted Statement. CDOT shall present all disputed items in writing to Metro-North with a copy to MTA and shall include an explanation of the dispute and the basis for such claim. CDOT and its outside auditors shall not be permitted to commence any financial dispute more than eighteen months following the delivery to CDOT of the Adjusted Statement for

the fiscal year in which the event giving rise to the dispute occurs. Metro-North shall respond to disputes in writing to CDOT with a copy to MTA within two months of such written notice. In the event that a dispute is not resolved between Metro-North and CDOT within one month following Metro-North's written response, it shall be submitted for resolution pursuant to the financial arbitration procedure set forth in Section 10.03 of this Agreement. If a dispute results in a credit to CDOT, Metro-North will credit CDOT with interest for each day from the date of CDOT's written notice of such dispute to the date of crediting. The parties agree that the rate of interest for purposes of this subsection and subsection (d) below shall be computed at seventy percent (70%) of the Prime Rate. Nothing in this Section shall act to limit any agency of the State of Connecticut other than CDOT from commencing financial disputes.

(d) Any overdue amounts payable by CDOT pursuant to this Agreement, including but not limited to any payments determined as a result of the financial arbitration procedure set forth in Section 10.03 of this Agreement to have been withheld improperly, shall accrue interest computed at seventy percent (70%) of the Prime Rate from the due date until the date of payment. Accrued and unpaid interest shall be computed by Metro-North and reflected in each monthly

(NOTE: ENDORSEMENT LIMITS FROM CERTIFICATE NO. 0313103) Rail file # (50) 7001-Misc-143

CON-32 REV. 7/02 STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION CERTIFICATE OF INSURANCE LINE AGREEMENT FILE NUMBER 7001/2003

This is to certify that the Insurance Company named herein has issued to the named insured the policies listed below, that these policies are written in accordance with the Insurance Company's standard policies and endorsements, except as indicated below or as noted in the attachments hereto, which policies and endorsements will be made available to the Department of Transportation upon request...

NAME OF INSURER: The United Illuminating Company, State of Connecticut and Metro-North Commuter Railroad Company
ADDRESS: 157 Church Street CITY: New Haven STATE: CT

Table with 6 columns: HAZARDS, POLICY NUMBER, EFFECTIVE DATE, EXPIRATION DATE, COVERAGE AND LIMITS OF LIABILITY, and AGGREGATE. Rows include A (OWNERS AND CONTRACTOR'S PROTECTIVE LIABILITY), C (COMMERCIAL GENERAL LIABILITY), D (AUTOMOBILE LIABILITY), E (RAILROAD PROTECTIVE LIABILITY), F (EXCESS/UMBRELLA LIABILITY), G (VALUABLE PAPERS AND RECORDS), H (BLASTING), and I (WORKERS' COMPENSATION).

\* Policy has a \$1,000,000 self-insured retention.

\* State of Connecticut is Named as Additional Insured.
\*\* Compensation Commissioner's Certificate shall be supplied herewith by self-insured party.
Note: If Excess/Umbrella Liability Insurance is needed to meet the Agreement/Contract, etc. minimum requirements, complete Section F above.

Check This Certificate is issued in accordance with the terms of:
Construction Contracts, Lease Agreement Rights of Way, Demolition Contracts, Permit Work No., Agree No., Engineering, Project No., Rail File # noted above, Other Specially & Including all operations incidental thereto.

PARTY FOR NOTICE Bureau: Pub-Transp. Unit: 7074 Name: Office of Rail

(1) It is agreed that the herein named Insurance Company will not use the defense of sovereign immunity in the adjustment of claims or in the defense of any suit brought against the State unless the Connecticut Department of Transportation Commissioner consents in writing to do so.
(2) It is agreed that the Insurance Company will bill premiums and audit charges earned under the protective liability policy(ies) to the above named insured...

IN THE EVENT OF ANY RESTRICTIVE AMENDMENT TO ANY CHANGE IN CANCELLATION OF OR FAILURE TO RENEW ANY ONE OR MORE OF SAID POLICIES THE Associated Elec. & Gas Ins. Svc. Ltd. SHALL GIVE NOT LESS THAN THIRTY DAYS WRITTEN NOTICE TO THE PARTY FOR NOTICE TO WHOM THIS CERTIFICATE IS ISSUED OF SUCH AMENDMENT, CHANGE, CANCELLATION, OR FAILURE TO RENEW.

DATED THIS 8th DAY OF May 2003 Associated Elec. & Gas Ins. Svc. Ltd.

ISSUED TO: Connecticut Dept. of Transportation 50 Union Avenue, 4th Floor West New Haven, CT 06519

73 Front St. Hamilton, Bermuda (Address) AEGIS Insurance Services, Inc. (Agent)

10 Exchange Place, Jersey City, NJ 07302 (Address) Sandra J. Johnson (Authorized Agent's Name & Signature)

Printed on recycled or recycled paper.

Statement submitted by Metro-North to CDOT, which monthly Statements shall include a separate calculation of the unpaid interest, if any, included in such Statements.

#### ARTICLE FOUR

#### CLASSIFICATION AND ACQUISITION OF CAPITAL ASSETS

##### SECTION 4.01. Classification of Capital Assets.

The determination of what constitutes a Capital Asset, the determination of the Capital Costs of a Capital Asset, the classification of a Capital Asset as a Moveable Capital Asset or a Nonmoveable Capital Asset (in accordance with the definitions of such terms contained herein), and all decisions as to the location of Capital Assets shall be made by Metro-North subject to the right of MTA or CDOT to submit the propriety of the decision to arbitration pursuant to the provisions of Section 10.03 below.

##### SECTION 4.02. Future Acquisition of Nonmoveable Capital Assets.

(a) The decision to acquire Nonmoveable Capital Assets to be located in Connecticut shall be the responsibility of CDOT, provided, however, that Metro-North shall (1) be given notification of such decision at least 120 days prior to purchase, (2) advise CDOT if the planned purchase is not expected to mesh operationally with the Service or if it

will require a substantial modification to the physical plant of the Main Line which can be expected to result in increased maintenance and/or operational costs, and (3) not be required to provide Metro-North forces to perform work associated with such a purchase during any period when it has no forces reasonably available.

(b) The decision to acquire Nonmoveable Capital Assets to be located in New York shall be the responsibility of MTA and Metro-North provided, however, that CDOT shall be given notification of such decision at least 120 days prior to purchase and shall be advised if the planned purchase is not expected to mesh operationally with the Service or if it will require a substantial modification to the physical plant of the Main Line which can be expected to result in increased maintenance and/or operational costs.

SECTION 4.03. Future Acquisition of Moveable Capital Assets.

(a) The decision to acquire Moveable Capital Assets which in the judgment of Metro-North will be used primarily in operating the Branch Line Service shall be the responsibility of CDOT, provided, however, that Metro-North shall (1) be given notification of such decision at least 120 days prior to purchase, (2) advise CDOT if the planned purchase is not expected to mesh operationally with the Service



or if it will require a substantial modification to the physical plant of the Main Line which can be expected to result in increased maintenance and/or operational costs, and (3) not be required to provide Metro-North forces to perform work associated with such a purchase during any period when it has no forces reasonably available.

(b) The decision to acquire all Moveable Capital Assets other than those provided for in paragraph (a) above shall be made in accordance with the provisions of Section 6.06 hereof.

(c) Notwithstanding the foregoing, CDOT shall have the right to purchase and pay for 100% of the costs of any Moveable Capital Asset for the Main Line provided that the purchase will not impair the safety of operations or the health or safety of the workers and provided further that CDOT provides notification to MTA and Metro-North at least 120 days prior to purchase.

SECTION 4.04. Capital Projects. Metro-North or MTA shall let all contracts, and Metro-North shall schedule the performance of and manage all projects for capital improvements on and the acquisition of Capital Assets for the Service regardless of the state in which any project or any Capital Asset is to be located, provided, however, that CDOT shall have the right at its election to let, schedule or

manage any project located solely within the State of Connecticut and provided further that CDOT shall have the right to require that interstate projects be divided along state lines into two projects whenever CDOT desires to let, schedule and manage the Connecticut portion of the work.

## ARTICLE FIVE

### ALLOCATION AND PAYMENT OF CAPITAL COSTS

SECTION 5.01. Nonmoveable Capital Assets. Commencing as of January 1, 1983, one hundred percent (100%) of the Capital Costs of all Nonmoveable Capital Assets located in the State of New York shall be allocated to and paid by MTA and one hundred percent (100%) of the Capital Costs of all Nonmoveable Capital Assets located in the State of Connecticut shall be allocated to and paid by CDOT.

### SECTION 5.02. Moveable Capital Assets.

(a) Commencing as of January 1, 1983, whenever a Moveable Capital Asset is purchased for use in whole or in part on the Service ("Service Use"), if in Metro-North's judgment the Service Use of such asset will be primarily on the Branch Lines, the Service's share of the Capital Costs of such Moveable Capital Asset (computed in conformance with paragraph (b) below) shall be paid one hundred percent (100%) by CDOT.

(b) Commencing as of January 1, 1983, sixty-three

percent (63%) of the Service's share of the Capital Cost of all Moveable Capital Assets other than those provided for in paragraph (a) above shall be paid by CDOT and thirty-seven percent (37%) shall be paid by MTA. The Service's share of the Capital Cost of all Moveable Capital Assets which are purchased to serve the entire Metro-North system shall be the Capital Cost of such asset multiplied by a fraction the numerator of which shall be the total operating expenses of the Service for the year prior to the year in which the acquisition is agreed upon and the denominator of which shall be the total operating expenses of Metro-North for the comparable period, excluding payments associated with the direct costs of the service operated by the New Jersey Transit Corporation. Once the determination is made, there shall be no subsequent change in the portion of the Capital Cost of such asset charged to the Service as a result of changes in the ratio set forth in the preceding sentence in years subsequent to the year used for such determination.

(c) Notwithstanding Section 5.01(b), CDOT shall pay 100% of the cost of any Moveable Capital Asset purchased for the Main Line pursuant to Section 4.03(c).

(d) Nothing in this Section 5.02 shall preclude CDOT and MTA, from the date of execution of this Agreement, on a case-by-case basis, from varying their respective per-

centage Allocations by prior written agreement for any reason including to take full advantage of favorable taxation or funding provisions including but not limited to the Safe Harbor Leasing Provisions of the Internal Revenue Code added by Section 201 of the Economic Recovery Tax Act of 1981 as Section 168(f)(8) and preserved by transition rule for mass commuting vehicles in Section 208(e) of the Tax Equity and Fiscal Responsibility Act of 1982 (the "Safe Harbor Leasing Provisions") or from making such other adjustments as may be necessary.

SECTION 5.03. CDOT Payment of Capital Costs. At the time the determination is made that a Nonmoveable Capital Asset to be located in Connecticut or a Movable Capital Asset (other than one purchased pursuant to Section 4.03(c) above) is to be acquired, MTA and CDOT shall agree to an appropriate payment schedule for CDOT's share of the Capital Cost of such asset.

SECTION 5.04. General Provisions as to Payments. Amounts payable by CDOT pursuant to Sections 5.01, 5.02 and 5.03 hereof shall be reflected in the Statements submitted to CDOT by Metro-North pursuant to Section 3.05 hereof and shall be paid as set forth in such Section.

SECTION 5.05. Adjustment of Prior Payments. Metro-North shall determine the difference between (i) the

amount that would have been payable by CDOT during the period from January 1, 1983 to the date of this Agreement in respect of the cost of all Moveable and Nonmoveable Capital Assets if the provisions of Sections 5.01 and 5.02 hereof had been in effect during such period and (ii) the amount actually paid by CDOT with respect to such assets during such period. Such determination shall be made in accordance with the principles and procedures set forth in Appendix A hereto. CDOT agrees to pay to MTA the difference so determined within 30 days of such determination.

## ARTICLE SIX

### SERVICE FINANCES AND BUDGET PROCESS

SECTION 6.01. Accounts. Metro-North shall maintain a chart of accounts reasonably designed to reflect its costs and revenues (the "Accounts") against which all Service Revenues shall be credited and all Service Costs shall be charged. The Accounts, the form of which is set forth in Appendix A, shall be maintained in accordance with the accounting principles set forth in Appendix A hereto. The decision of what constitutes an item of Service Revenue or Service Cost shall be determined by Metro-North and the independent certified public accountants engaged by Metro-North in connection with the annual examination of Metro-North financial statements, consistent with Appendix A

hereto, provided however that the determination shall be subject to arbitration pursuant to the terms of Section 10.03 below.

Metro-North shall have the right to revise the form and content of the Accounts provided that such revisions are consistent with the accounting principles set forth in Appendix A hereto and provided further that the allocation of costs to the Service and to the Branch Lines Net Operating Deficit, Main Line Net Operating Deficit and Grand Central Terminal Net Operating Deficit is consistent with the cost allocations set forth in Appendix A hereto. Prior to revising the content of the Service Accounts, Metro-North shall give CDOT 120 days advance notice of major and 90 days advance notice of less significant proposed revisions. CDOT shall have 60 days from such notice to reject the proposed revisions. If the revisions are not rejected within 60 days Metro-North shall be authorized to implement them as soon thereafter as it deems appropriate. If the revisions are rejected in whole or in part, the disputed revisions shall be subject to arbitration pursuant to Section 10.03 hereto. Nothing in this Agreement shall be deemed to prohibit Metro-North in its discretion from making insignificant or immaterial revisions to the Accounts.

SECTION 6.02. Service Revenues. Service Revenues shall include: (1) all revenues of Metro-North allocated to the Service in accordance with Appendix A hereto and (2) all revenues of MTA and CDOT reasonably allocable to the Service in accordance with Appendix A hereto.

SECTION 6.03. Service Costs. Service Costs shall include all costs of Metro-North allocated to the Service in accordance with Appendix A hereto.

SECTION 6.04. Annual Budget Process.

(a) At the request of CDOT, MTA or Metro-North at any time after August 15 of each year, all of the parties shall meet to discuss concerns and potential problems that the requesting party foresees in the budgets being prepared for the following calendar year in an effort to have those concerns and problems addressed in the proposed budgets.

(b) Prior to October 1 of each year, Metro-North shall submit to the MTA and CDOT detailed annual budgets for the Service reflecting anticipated Service Revenues and Service Costs associated with the Service for the following calendar year including the Capital Costs of Capital Assets as set forth in Section 6.06 below. Thereafter, MTA, CDOT and Metro-North shall consult with respect to said budgets. On or before December 1 of each year CDOT shall indicate to MTA and Metro-North its approval or disapproval of such

proposed budgets, or the proposed budgets as revised and accepted by Metro-North as a consequence of the process of consultation. If by December 1 of each year CDOT has not rejected the proposed budget it shall be deemed approved by CDOT unless MTA shall reject the proposed or revised budget as set out below.

On or before November 15 of each year MTA staff shall inform CDOT of its preliminary position with respect to the proposed budgets, or the proposed budgets as revised and accepted by Metro-North, as a consequence of the process of consultation. MTA shall approve or disapprove the proposed or revised budgets by formal action taken by its Board of Directors on or before December 31 of each year. If the proposed budgets are disapproved by MTA, it shall notify CDOT and Metro-North of such disapproval and the parties shall consult with each other in order to attempt to resolve the issues causing MTA's disapproval of the proposed budget.

(c) Metro-North may request the modification of an Approved Budget at any time. MTA and CDOT shall have the right at any time by mutual agreement to modify an Approved Budget. Metro-North shall present to CDOT all modified budgets it proposes but shall only be required to present a modified budget at such time as Metro-North believes that the actual operating expenses for the year will exceed the amount



of the Approved Budget by ten percent (10%). Nothing in this Section 6.04 shall be deemed to prohibit Metro-North from charging costs incurred by it in good faith in fulfilling its obligations to operate the Service.

(d) In the event Metro-North's budget is disapproved Metro-North shall be permitted to budget and expend in accordance with the budget for the preceding year, plus such increases as may be required by labor contracts and general increases in the costs of goods and services, as reflected in the Consumer Price Index published for the New York Metropolitan region.

SECTION 6.05. Quarterly Financial Review Meetings.

Upon the request of Metro-North or CDOT, Metro-North will conduct financial review meetings at times and places agreeable to all parties. Such meetings shall be scheduled by Metro-North at least two weeks in advance and shall not be required to be held more than quarterly. By written notice to the other parties one week before the scheduled meeting date, any party may place specific items on the agenda for such meeting. By written notice to MTA and Metro-North, CDOT may request that MTA attend any scheduled financial review meeting and MTA, if so requested, will attend.

SECTION 6.06. Capital Budget Process. Upon the request of Metro-North, MTA or CDOT, Metro-North, CDOT and

MTA will meet to discuss a schedule for preparation by Metro-North of a Service capital plan, to establish procedures for review of proposed capital projects by CDOT and MTA, and to coordinate funding efforts in accordance with the provisions of Article Five on the allocation of Capital Costs. Such meetings shall be scheduled by Metro-North at least two weeks in advance and shall not be required to be held more than quarterly. Metro-North will submit to CDOT for approval according to the schedule set forth in Section 6.04 above an annual capital budget for (1) all Moveable Capital Assets and (2) all Nonmoveable Capital Assets located in Connecticut.

SECTION 6.07. Prior Operating and Capital Expenses. All operating and capital expenses and Capital Costs incurred or to be incurred by Metro-North for the benefit of the Service from January 1, 1983 to and including December 31, 1984 are hereby deemed to have been approved by MTA and CDOT. Disputes arising in connection with such approved expenses and capital costs shall be resolved in accordance with the procedures set forth in Section 3.05 above.

SECTION 6.08. Five-Year Capital Plan. Not later than December 31, 1985 and at subsequent five year intervals, the parties to this Agreement shall develop a five-year

capital plan for the Service which shall be updated on an annual basis in the years in which no new five-year plan is developed. Each five-year plan shall describe, to the extent feasible, all plans for the acquisition of all Moveable Capital Assets for the Service, including but not limited to those Moveable Capital Assets which will be used in operating the Service for the Branch Lines, and all Nonmoveable Capital Assets, whether located in Connecticut or New York.

#### ARTICLE SEVEN

##### ASSET OWNERSHIP AND MANAGEMENT

SECTION 7.01. Title to Assets. The parties agree that MTA shall have all right, title and interest in and to all present and future Nonmoveable Capital Assets located in the State of New York (provided, however, that MTA shall have the right in its sole discretion to place all right, title and interest in and to any such asset or assets in Metro-North), CDOT shall have all right, title and interest in and to all present and future Nonmoveable Capital Assets located in the State of Connecticut provided, however, that in the event of termination of this Agreement, the question of the appropriate reimbursement to any party for its contribution to the Capital Cost of a Nonmoveable Capital Asset in its non-home state purchased prior to January 1, 1983 or transferred by Conrail shall be resolved pursuant to Section 12.05

hereof. The parties further agree that Metro-North shall own all existing and future Moveable Capital Assets, except that the ownership of all existing rolling stock shall be determined and resolved as part of the asset management review set forth in Section 7.02 and that the ownership of all future rolling stock shall be determined on a case-by-case basis in a manner designed to permit CDOT and MTA to utilize to full advantage the Safe Harbor Leasing Provisions of the Internal Revenue Code or other favorable taxation or other provisions of law.

SECTION 7.02. Asset Management Review. MTA and CDOT agree to undertake a joint analysis and review of the management of all Capital Assets of the Service, whether such assets are owned or leased by MTA, CDOT or Metro-North or any combination thereof. The objective of the asset management review will be to identify, attribute ownership of or other interest in, and catalogue all Capital Assets which are used by, or useful to, the Service, and to establish a process by which the management and utilization of such assets can be enhanced. The review will encompass all Capital Assets, including equipment, machinery and rolling stock owned or leased by MTA, CDOT, Metro-North, the New Haven Line or any combination thereof or otherwise conveyed to Metro-North, MTA (with respect to the New Haven Line), CDOT (with respect to

the New Haven Line) or any combination thereof under the provisions of NERSA. The asset management review will be performed by joint CDOT and MTA teams. CDOT and MTA will each designate a coordinating project leader, who will serve as the key project leader from each authority. In addition, MTA and CDOT shall designate their respective members of the team including all individuals necessary to complete the analysis. The scope of work, methodology and workplan for the completion of the asset management review is to be agreed upon by representatives of MTA and CDOT. Neither Metro-North, MTA nor CDOT shall have any obligation to reimburse any other party to this Agreement for any Capital Assets which the asset management review teams conclude have been destroyed or cannot be located. The parties agree to pursue jointly any claims they may have against third parties with respect to such assets.

## ARTICLE EIGHT

### LABOR

SECTION 8.01. Labor Negotiations. CDOT shall have full rights of consultation in all stages of labor negotiations involving Metro-North and shall have the right to have a representative sit in on all bargaining sessions with the unions involved in such labor negotiations according to reasonable procedures to be agreed upon by the parties. If

CDOT demonstrates by clear evidence that Metro-North has agreed to a labor contract modification which does not benefit Metro-North as constituted on the date of this Agreement but was agreed to for the purpose of conferring a benefit on another MTA operating agency, CDOT shall be entitled to a proportional annual credit. Unless otherwise agreed to by MTA and CDOT, CDOT shall enforce such alleged entitlement only in an action brought in federal court.

#### ARTICLE NINE

##### PRODUCTIVITY REVIEW

SECTION 9.01. Productivity Review. The parties agree to undertake a joint comprehensive one-time review of the Service, in an effort to improve the efficiency of the Service. The productivity analysis shall encompass all activities, costs and revenues which are attributable to the Service. The scope of this analysis shall include the following Metro-North departments or functions:

- Transportation
- Maintenance of Equipment
- Maintenance of Way
- Passenger Service
- Finance and Accounting
- Management Information Systems
- Legal/Claims/Insurance

- Planning
- Personnel/Labor Relations
- Budget
- Public Affairs
- Contract Management

The objective of the productivity analysis will be to identify areas where service can be improved, costs reduced and revenue enhanced on the Service; and to develop a process to implement opportunities identified during the analysis. Such review will be conducted by joint MTA and CDOT teams. CDOT and MTA shall each designate a coordinating project leader, who will serve as the key project leader from each authority. In addition, MTA and CDOT will designate those individuals necessary to complete the analysis. The final scope, methodology and work plan for completion of the productivity review are to be agreed to by the designated representatives of MTA and CDOT. Any party may utilize the services of a consultant or consultants at its own expense to assist its staff in such review.

SECTION 9.02. Resolution of Disputes Relating to the Productivity Review. In the event of any dispute relating to the productivity review initiated pursuant to Section 9.01, the Chairman of MTA and Commissioner of CDOT shall meet in an effort to resolve such dispute.

ARTICLE TEN

ARBITRATION

SECTION 10.01. Settlement of Disputes. Each of the parties hereto shall make every reasonable effort to settle any dispute arising out of this Agreement without resorting to arbitration.

SECTION 10.02. Arbitration Procedure. Subject to the provisions of Sections 10.03, 10.04 and 10.05, any claim or controversy between MTA and CDOT relating to the meaning of this Agreement or any provision hereof or relating to an alleged breach hereof which cannot be resolved pursuant to the provisions of Section 10.01 hereof shall be submitted by MTA and CDOT to binding arbitration as follows:

(i) either MTA or CDOT shall notify the other of its intention to arbitrate; (ii) such notice shall include a detailed statement of the subject matter of the arbitration and shall designate one arbitrator; (iii) within 15 days after such notification, the notified party shall designate a second arbitrator and shall notify the party seeking arbitration of such designation; (iv) within 15 days after the designation of the second arbitrator, the two arbitrators so designated shall appoint a third arbitrator, except that if a second arbitrator has not been designated as provided in clause (iii), no arbitrator other than the one first named need be



if there is disagreement between MTA and Metro-North on the one hand and CDOT on the other as to the status of an agreement, contract amendment letter or contract administration letter, its status shall be submitted to arbitration pursuant to Section 10.02 hereof within 60 days of the date of this Agreement. No agreement, contract amendment letter or contract administration letter shall be effective unless such status is agreed to by the parties or unless it is determined to be effective as a result of arbitration.

SECTION 13.07. Future Agreements. The parties hereto agree that they will continue to have the right from time to time to enter into contract amendment letters and contract administration letters by mutual agreement as the need arises to ensure the smooth operation of the Service.

SECTION 13.08. Connecticut Express Waiver of Sovereign Immunity. The State of Connecticut expressly waives sovereign immunity with respect to any claims or proceedings that may be commenced by MTA or Metro-North with respect to monies claimed to be due and owing from the State of Connecticut under the terms of this Agreement or any arbitration award issued pursuant hereto. The parties expressly agree that MTA or Metro-North in its discretion may elect to submit any claim or controversy whatsoever for the payment of money with respect to Connecticut

designated (and except that in the event of the failure of the two arbitrators thus named to agree upon a third within 20 days after their appointment, then the third arbitrator shall be appointed by the President of the American Arbitration Association at the request of either MTA or CDOT or, if such President shall refuse to do so, by such other person or in such other manner as MTA and CDOT may agree); (v) the arbitrators, or if a second arbitrator is not designated as provided in clause (iii), the arbitrator, shall promptly proceed to receive such submissions and evidence from MTA and CDOT as they may decide are relevant to the determination to be made and hear and decide the issue or issues submitted to them giving to each party reasonable notice of the time and place of hearing; (vi) the arbitrators, or a majority of them, shall promptly make their decision and award in writing, serving a copy on each of the parties, and such decision shall be final, binding and conclusive upon the parties and may be enforced by the parties and entered in the appropriate federal court. In such arbitration, the procedures of the American Arbitration Association Rules of Commercial Arbitration shall govern to the extent not inconsistent with the foregoing. Each party to the arbitration shall bear its respective share of the cost of any arbitration pursuant to this section, with the

arising out of this Agreement to arbitration under the arbitration procedures set forth in Section 10.02 above, including those claims or controversies which would otherwise be excluded from arbitration pursuant to Section 10.05 hereof. The parties further agree that in the event of arbitration MTA or Metro-North, as the case may be, shall be entitled to enforce such award in court proceedings and that the express waiver of sovereign immunity provided herein is specifically applicable to such enforcement proceedings if required as a prerequisite to jurisdiction. The parties recognizing the substantial interests of the State of New York represented in this Agreement agree further that MTA or Metro-North may, in its sole discretion, institute any judicial proceedings otherwise permitted under this Section in the courts of the State of New York.

SECTION 13.09 Connecticut Non-Discrimination Statute and Executive Orders.

(a) Executive Order No. 3. There are incorporated in this Agreement by reference, to the extent, if any, that they are determined to be applicable, the provisions of Executive Order No. 3 of Governor Thomas J. Meskill (June 16, 1971), provided, however, that all questions as to the applicability of Executive Order No. 3 to this Agreement except as provided below shall be judicially determined after

notice and hearing, and provided further that the parties hereto agree that the applicability of Executive Order No. 3, if any, to this Agreement is limited to Metro-North's provision of the Service.

(b) Executive Order No. 17. There are incorporated in this Agreement by reference, to the extent, if any, that they are determined to be applicable, the provisions of Executive Order No. 17 of Governor Thomas J. Meskill (February 15, 1973), provided, however, that all questions as to the applicability of Executive Order No. 17 to this Agreement except as provided below shall be judicially determined after notice and hearing, and provided further that the parties hereto agree that the applicability of Executive Order No. 17, if any, to this Agreement is limited to Metro-North's provision of the Service in the State of Connecticut.

(c) Non-Discrimination Statute. The following provision is set forth in accordance with Conn. Gen. Stat. § 4-114a:

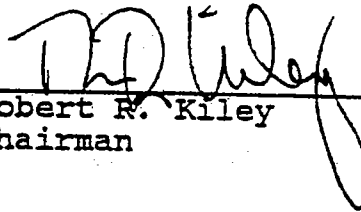
"The contractor agrees and warrants that in the performance of this contract he will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by the contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or the State of Connecticut. If the contract is for a public works project, the contractor

agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such project. The contractor further agrees to provide the commission on human rights and opportunities with such information requested by the commission concerning the employment practices and procedures of the contractor as relate to the provisions of the this section and section 46a-56."

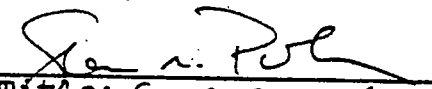
SECTION 13.10. Interpretation. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing signed by each of the parties hereto, unless a provision hereof expressly permits fewer than all the parties to effect termination, amendment, supplementation, waiver or modification hereunder, then in accordance with the terms of such provision. This Agreement shall be construed in accordance with and governed by the laws of the State of New York. All Appendices attached hereto are integral parts of this Agreement and the provisions set forth in the Appendices shall bind the parties hereto to the same extent as if such provisions had been set forth in their entirety in the main body of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, all as of the day and year first above written.

METROPOLITAN TRANSPORTATION  
AUTHORITY

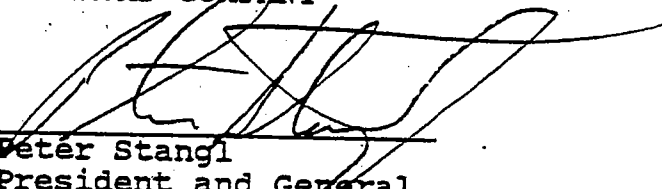
By   
Robert R. Kiley  
Chairman

Attest:

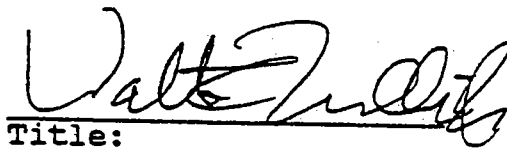
By   
Title: Genl Counsel

[Seal]

METRO-NORTH COMMUTER  
RAILROAD COMPANY

By   
Peter Stangl  
President and General  
Manager

Attest:

By   
Title:

[Seal]

GENERAL COUNSEL AND SECRETARY

STATE OF CONNECTICUT, BY THE  
CONNECTICUT DEPARTMENT  
OF TRANSPORTATION

By *J. William Burns*  
J. William Burns  
Commissioner of Transportation

Attest:

By *Theresa E. Wersbach*  
Title: Executive Secretary

[Seal]

Approved:

*Anthony Milano*  
Anthony Milano  
Secretary, Office of  
Policy and Management

Approved as to Form:

By *William F. Gerry*  
Deputy Attorney General  
June 28, 1985

JUN 27 1985

COUNTY OF NEW YORK )  
                          ) ss:  
STATE OF NEW YORK )

On the 21<sup>st</sup> day of June, 1985 before me personally came Robert R. Kiley, to me known, who being by me duly sworn did depose and say that he is the Chairman of Metropolitan Transportation Authority, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of a majority of the members of said corporation; and that he signed his name thereto by like order.

---

Notary Public

[Seal]

**HANNAH SUCHALTER**  
NOTARY PUBLIC, State of New York  
No. 41-5303285 Qualified in Queens County  
Commission Expires March 30, 1986



STATE OF NEW YORK )  
                          ) ss:  
COUNTY OF NEW YORK )

On the 21<sup>st</sup> day of June, 1985 before me personally came Peter Stangl, to me known, who being by me duly sworn did depose and say that he is the President and General Manager of Metro-North Commuter Railroad Company, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of a majority of the members of said corporation; and that he signed his name thereto by like order.

  
\_\_\_\_\_  
Notary Public

[Seal]

WALTER E. ZULLIG, JR.  
Notary Public, State of New York  
No. 00-3829426  
Qualified in Westchester County  
Commission Expires March 30, 1986

STATE OF CONNECTICUT )  
COUNTY OF HARTFORD )

SS: *Handwritten signature*

Hartford, June 26, 1985

On this the 26<sup>th</sup> day of June, 1985, before me,  
Notary Public the undersigned officer, personally appeared J.  
William Burns, Commissioner of Transportation of the State of  
Connecticut, known to me (or satisfactorily proven) to be the  
person described in the foregoing instrument, and acknowl-  
edged he executed the same in the capacity therein stated and  
the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand.

*Handwritten signature*  
Notary Public

MY COMMISSION EXPIRES SEPTEMBER 30, 1986  
LISA E. STANKIEWICZ  
NOTARY PUBLIC

[Seal]

STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION

EXPRESS FINDING  
PURSUANT TO SECTION 13b-35  
OF THE  
GENERAL STATUTES OF CONNECTICUT, AS REVISED

BE IT KNOWN, that I, J. William Burns, Commissioner of Transportation, State of Connecticut, intend to exercise the powers conferred by Subsection (a) of Section 13b-34 of the General Statutes of Connecticut, as revised, and herewith make this Express Finding, pursuant to the provisions of Section 13b-35 of the General Statutes of Connecticut, as revised, that:

1. The transportation facilities on the New Haven Rail Commuter Line with respect to which the powers are to be exercised may be discontinued, disrupted or abandoned in whole or in part.
2. The discontinuance, disruption or abandonment of such facilities will be detrimental to the general welfare of the State.
3. The exercise of such powers is essential to the continuation of such necessary transportation facilities.
4. To insure that specific transportation facilities will be operated in the manner required by the general welfare of the State, State assistance must be provided to the Metro-North Commuter Railroad Company.

Therefore, I intend to execute an Agreement with the Metro-North Commuter Railroad Company and the Metropolitan Transportation Authority whereby the State agrees to reimburse the Metro-North Commuter Railroad Company for rail commuter operating deficits and capital costs for the period from January 1, 1983 through December 31, 1989.

Dated at Wethersfield, Connecticut, this 26th day of June, 1985.

STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION

WITNESSES:

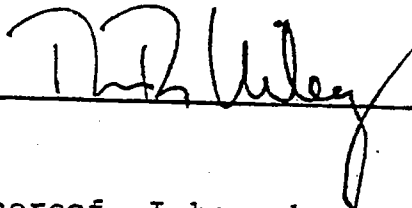
J. William Burns  
J. William Burns  
Commissioner

Theresa E. Wiersaukas  
Name: ~~TERESA E. WIERSAUKAS~~

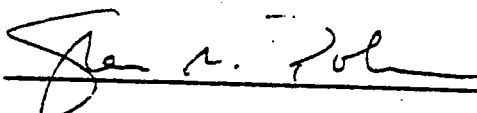
Mary Feen  
Name: MARY FEEN

INCUMBENCY CERTIFICATE

I, the undersigned Steven M. Polan, being the duly appointed and incumbent secretary of Metropolitan Transportation Authority ("MTA") do hereby certify that at all times since November 16, 1983, Robert R. Kiley has been the duly appointed and incumbent Chairman of MTA and that a true and correct specimen of his signature is set forth in the space below:

  
\_\_\_\_\_

In Witness Whereof, I have hereunto set my hand and the seal of MTA on this 21<sup>st</sup> day of June, 1985.

  
\_\_\_\_\_  
Steven M. Polan

A NEW PART 1081 IS ADDED TO SUB-CHAPTER I OF CHAPTER XXI OF TITLE 21 OF THE OFFICIAL COMPILATION OF CODES, RULES AND REGULATIONS OF THE STATE OF NEW YORK READING AS FOLLOWS:

METRO-NORTH COMMUTER RAILROAD COMPANY LOCAL PASSENGER TARIFF OF ONE-WAY, OFF-PEAK ROUND TRIP INDIVIDUAL, OFF-PEAK ROUND-TRIP GROUP, ONE-WAY FARES FOR SENIOR CITIZENS AND THE HANDICAPPED, FARES AND ARRANGEMENT GOVERNING TRANSPORTATION OF INDIGENT BENEFICIARIES OF CHARITY ORGANIZATIONS, WEEKLY AND MONTHLY COMMUTATION FARES:

(NEW HAVEN DIVISION ONLY) (ALSO BASIS FOR CONSTRUCTING FURLOUGH FARES).

NEW HAVEN - NEW YORK (GRAND CENTRAL TERMINAL) NY ON ONE HAND AND,  
NEW HAVEN, CT, NEW CANAAN, CT, DANBURY, CT, WATERBURY, CT  
ON THE OTHER.

STATUTORY AUTHORITY: PUBLIC AUTHORITIES LAW, SECTION 1256.

## SECTION 1081.1

## INDEX OF STATIONS TO AND FROM WHICH FARES APPLY

<u>STATION</u>	<u>INDEX</u>	<u>STATION</u>	<u>INDEX</u>
<u>CONNECTICUT:</u>		<u>NEW YORK</u>	
Ansonia	292	Fordham	200
Bethel	278	Harrison	212
Branchville	274	Larchmont	208
Bridgeport	246	Mamaroneck	210
Cannondale	272	Mount Vernon	202
Cos Cob	220	New Rochelle	206
Danbury	280	New York	001
Darien	230	Pelham	204
Derby-Shelton	290	Port Chester	216
East Norwalk	236	Rye	214
Fairfield	244		
Glenbrook	260		
Green's Farms	240		
Greenwich	218		
Milford	250		
Naugatuck	296		
New Canaan	266		
New Haven	252		
Noroton Heights	228		
Old Greenwich	224		
Redding	276		
Riverside	222		
Rowayton	232		
Seymour	294		
South Norwalk	234		
Southport	242		
Springdale	262		
Stamford	226		
Stratford	248		
Talmadge Hill	264		
Waterbury	298		
Westport	238		
Wilton	270		

1081.2 CLASSES OF FARES:

A. One-way coach, off-peak round trip coach, furlough coach and charity coach fares shown herein apply for adults.

B. Weekly commutation, monthly commutation and school commutation fares shown herein apply for adults or children five (5) years of age or older, provided the ticket is purchased before boarding trains.

C. Adult-group, off-peak round-trip fares

1. One-day limit. Per capita round-trip fares for groups of ten (10) or more adults will be as follows:

10- 99	Adults or equivalent*	- 125% of the regular one-way fare**
100-399	Adults or equivalent	- 115% of the regular one-way fare**
400-or more	Adults or equivalent	- One-way fare

The total charge for a group in one percentage category may not exceed the total charge for the minimum number of persons in the next higher category (e.g., the charge for 99 persons at the 125% rate may not exceed the charge for 100 at the 115% rate).

2. Five-day limit. Per capita round-trip fares for groups of ten (10) or more adults (two children five (5) and under twelve (12) years of age will be counted as one adult) will be 150% of the regular one-way fare. Adding or deducting, if necessary, to make the resultant amount end in 0 or 5.

(See Section 1081.5 (B)4 regarding limit and prior arrangements).

\* Two children 5 and under 12 years of age count as one adult.

\*\* NOTE: Adding or deducting, if necessary, to make the resultant amount end in 0 or 5.

D. Youth-group, off-peak round-trip fares. The per capital fare for groups of ten (10) or more children under nineteen (19) years of age, with a maximum of one adult escort accompanying each group of ten (10) children, will be half of the regular adult one-way fare for the round-trip, adding or deducting, if necessary, to make the resultant amount end in 0 or 5 with a minimum youth-group fare of \$.60. (See Section 1081.5(B)4 regarding limit and prior arrangements).

1081.3 FARES FOR CHILDREN:

A. Children under five (5) years of age, when accompanied by parent or guardian, will be transported without additional charge. Exception: In the case of youth-group movements, fares will be charged for all children.

B. Children five (5) years and under twelve (12) will be charged half of the adult one-way coach fare or off-peak coach fare, adding, if necessary, to make the child's fare end in 0 or 5. No reduction will be made in adult-group off-peak round-trip fares for children five (5) and under twelve (12) years of age, except that two such children will be counted as one adult. See Rule 1081.2 (D) for youth group fares.

C. Weekly commutation, monthly commutation or school commutation fares will not be reduced for children five (5) years of age or over.

**1.4 FARES PAID ON TRAIN:**

Passengers paying fares on trains where ticket offices were open for sale of tickets at least one-half hour prior to departure of train will be required to pay an on-train charge of \$1.00 in addition to the applicable fare (whether whole or half). This charge shall not apply to passengers boarding trains at New Haven, CT.

**1.5 CLASS OF TICKET, CONDITIONS OF SALE, DATE OF SALE, AND TIME LIMITS**

**A. ONE-WAY COACH**

1. Will be valid for use of the bearer

(a) Tickets may be sold daily, and will be limited to 90 days in addition to the date for which issued.

**B. OFF-PEAK**

1. Individual round trip off-peak will be valid for use of the bearer

(a) Tickets may be sold daily, and will be limited to 3 AM of the day following the date of sale.

2. One-day adult-group round-trip will be valid for groups of ten or more adults. Prior arrangements with the ticket agent are necessary.

(a) Tickets may be sold daily, and will be limited to 3AM of the day following the date of sale.

3. 5-day adult-group round-trip will be valid for groups of ten or more adults. Prior arrangements with the ticket agent are necessary.

(a) Tickets may be sold daily, and will be limited to 5 days in addition to the starting day of the trip.



4. Youth-group round trip will be valid for groups of ten or more children under 19 years of age, with a maximum of one adult escort age 19 or older for each group of ten children. Prior arrangements with the ticket agent are necessary.

(a) Tickets may be sold daily and will be limited to 3AM of the day following the date of sale.

**C. A WEEKLY  
COMMUTATION**

1. Ticket will be sold only for the personal use of the passenger who signs it and will be valid, during the period for which it is issued, for unlimited travel between stations named thereon or between stations intermediate thereto. No credit will be allowed for duplex cash fare receipts.

(a) Weekly tickets may be sold 3 days in advance of the first day of the week for which they are issued and will be limited to the 7-day period from Saturday through Friday for which issued and will be honored up to 3AM of the following expiration date of the ticket.

**D. A MONTHLY  
COMMUTATION**

1. Will be sold only for the personal use of the passenger who signs it and will be valid, during the period for which it is issued, for unlimited travel between stations named thereon or between stations intermediate thereto. No credit will be allowed for duplex cash fare receipts.

(a) Tickets may be sold 10 days in advance of the first day of the month for which they are issued, and will be limited to the calendar month for which issued. Tickets will be honored up to 3AM of the day following the last day of the month.

2. Proportional commutation fares are shown in 1081.19 applying between the points bearing Index numbers 001 through 198 (on the one hand) and the rail-bus interchange points bearing Index numbers 202 through 216 (on the other). They may be used only for the construction of through monthly fares via Metro-North to the interchange points and bus connections arranged by the Westchester County Department of Transportation.

**E. A SCHOOL  
COMMUTATION**

1. Will be sold: For the personal use of the passenger who signs it and will be valid, during the period for which it is issued, for unlimited travel between stations named thereon or between stations intermediate thereto.
  - (a) Tickets may be sold ten days in advance of the first day of the month for which they are issued, and will be limited to the calendar month for which issued.
2. To students in attendance at primary or secondary schools pursuing a course of general education approved by the Board of Regents of the State of New York or Board of Education of the State of Connecticut.

School commutation tickets will not be sold to students attending any other type of school, including colleges, universities, business or commercial schools or specialty schools or institutions of a like character for training in a specialized field. Each application for a school commutation ticket must be accompanied by certificate Form PD7 correctly filled out and signed in ink by a parent or guardian of the pupil, and by an officer of the school with the title of president, head master, principal, superintendent, director or directress, treasurer or dean (including such title when prefixed by vice, assistant or associate) or by an officer of a secretarial capacity or by an official with a title other than mentioned herein, provided that such title indicates that the official is in charge of the school. The title of the school official signing the certificate must appear on it, and the certificate shall also set forth that the applicant receives no pecuniary compensation for service to such school or its teachers.

Agents will stamp on school certificates the dates on which they are honored, and then forward them at the close of each month to the accounting department.

3. For use between the place of residence of the purchaser and the place at which the school is located, or the nearest convenient stations.

**F. ONE-WAY AND  
ROUND-TRIP  
FURLOUGH**

1. Will be issued to members of the armed forces under the following conditions:
  - (a) Tickets may be sold daily, and will be limited to 3 months in addition to the date of sale.
2. Members of the armed forces must present their own valid active duty (green) identification cards to the ticket agent in order to establish entitlement to furlough fares.
3. Upon request, members of the armed forces traveling on furlough fares, must also show their active duty identification cards to the conductors.
4. One-way furlough fares will be determined by applying the one-way fares shown in this tariff to the scale shown in 1081.20.
5. Round-trip furlough fares will be double the one-way furlough fare.

**G. CHARITY FARES AND ARRANGEMENTS GOVERNING TRANSPORTATION IN COACHES  
ACCOUNT INDIGENT BENEFICIARIES OF CHARITY ORGANIZATIONS**

1. APPLICATION OF THE TARIFF The fares and arrangements authorized herein apply for local tickets as follows:
  - (a) Locally between any two (2) stations on New Haven Line (New York, NY to New Haven, New Canaan, Danbury and Waterbury, CT fares will be determined by applying the one-way fare published to the Table for computing Charity fares, (see 1081.5 G 4(c)).
2. DATES OF SALE AND TIME LIMITS Tickets will be sold daily, and will be limited to three (3) months in addition to the date of sale.
3. ROUTE Metro-North Commuter Railroad Co.
4. FARES
  - (a) Adult Fares - One-way adult charity fares will be as authorized in Rule 1 above. Round-trip adult charity fares will be double the one-way adult charity fares applicable from point of origin to destination.

(b) Children Fares - One-way charity fares for children 5 and under 12 years of age will be half of the one-way adult charity fare authorized above, adding, if necessary, to make the child's fare end in 0 or 5, and double these amounts for round-trip. Children under 5 years of age, when accompanied by parent or guardian, will be transported without additional charge.

(c) Table for Computing Charity Fares

<u>WHEN</u> <u>ONE-WAY</u> <u>COACH IS</u>	<u>ONE-WAY</u> <u>CHARITY</u> <u>FARE IS</u>	<u>WHEN</u> <u>ONE-WAY</u> <u>COACH IS</u>	<u>ONE-WAY</u> <u>CHARITY</u> <u>FARE IS</u>	<u>WHEN</u> <u>ONE-WAY</u> <u>COACH IS</u>	<u>ONE-WAY</u> <u>CHARITY</u> <u>FARE IS</u>
\$1.15	\$.85	\$3.20	\$2.40	\$5.20	\$3.90
1.25	.95	3.25	2.45	5.65	4.25
1.50	1.15	3.40	2.55	5.75	4.30
1.60	1.20	3.65	2.75	5.80	4.35
1.65	1.25	3.70	2.80	6.10	4.60
1.95	1.45	3.85	2.90	6.30	4.75
2.00	1.50	3.90	2.95	6.50	4.90
2.05	1.55	4.10	3.10	6.55	4.90
2.10	1.60	4.15	3.10	6.80	5.10
2.35	1.75	4.20	3.15	7.00	5.25
2.45	1.85	4.30	3.25	7.35	5.50
2.50	1.90	4.50	3.40	8.15	6.10
2.75	2.05	4.55	3.40	8.40	6.30
2.85	2.15	4.65	3.50	9.55	7.15
2.95	2.20	4.75	3.55		
3.15	2.35	4.95	3.70		

5. CONDITIONS OF SALE

(a) Beneficiaries. - The reduced fares authorized herein will apply only for bona fide indigent beneficiaries of charity organizations listed in Section II of this tariff, and only upon presentation of Metro-North request form described in paragraph 5(e); each case to be carefully and fully investigated by the organization to determine that the charity subject is unquestionably in need of the assistance before requesting the reduced fare, and also for attendants when necessary to accompany the beneficiaries as provided in paragraph 5(b) herein.

- (b) Attendants. - Where the condition of the recipient of a charity ticket is such that he or she cannot travel alone, a charity ticket will also be provided for an attendant connected with the organization, under the same conditions as for the beneficiary whom it is necessary to accompany. Charity fares will not apply for the officers, workers, or other employees of Charity organizations, except as stated herein where it is necessary for them to accompany beneficiaries as attendants.
- (c) Families or Groups. - Where a family or group, after investigation, is entitled to reduced fares authorized herein, one request may be drawn, and a party ticket will be issued for the family or group.
- (d) Visitors. - Requests must not be issued for charity tickets for relatives or friends visiting persons in hospitals or other institutions.
- (e) Form of Request. - Request forms issued by Metro-North must be used in all cases, both for beneficiaries and attendants. Each request must be completely filled in before being presented to the ticket agent, including in the space "for use of" the names of the beneficiary and any necessary attendant, name of the organization (rubber stamped), and be signed in ink by the issuing officer.

The request form must be lifted by the agent issuing the ticket and forwarded to the Manager, Passenger Revenue Accounting, P.O. Box 8895 New Haven, CT 06532, if using U.S. mail.

6. TICKETS Except as follows, regular forms of blank tickets should be used; the stub and ticket must be faced "Charity". On the Hudson and Harlem Divisions, Form 501 may be used, with the word "Charity" and the number of the request form endorsed on the back.
7. STOPOVERS Stopovers will not be allowed.
8. BAGGAGE - Baggage will not be checked.

9. AMTRAK TRAINS Charity tickets will not be honored on Amtrak trains.

10. INSTRUCTIONS TO TICKET AGENTS AND CONDUCTOR'S

- (a) Request forms and Charity tickets are not transferable; if one is presented by any person other than the person to whom issued it should be confiscated.
- (b) To obtain benefit of the reduced fares, request must be presented to ticket agent for charity ticket.
- (c) Ticket agents and conductors should report any questionable cases or evidence of misuse of the charity fares privilege.
- (d) Charity request forms are furnished by Metro-North to recognized and charity organizations listed in 1081.5 G 10(f). Request forms may be obtained by charity organizations from the Manager, Passenger Revenue Accounting, 54 Meadow St., New Haven, CT.
- (e) Charity requests received from organizations not listed in 1081.5 G 10(f) should be referred to Manager, Passenger Revenue Accounting.
- (f) LIST OF CHARITY ORGANIZATIONS (Location, name of organization and titles of persons authorized to issue requests)

<u>LOCATION</u>	<u>ORGANIZATION</u>	<u>TITLE OF AUTHORIZED PERSONS</u>
Bridgeport CT	Family Service Society of Eastern Fairfield County	Executive Director or Supervisor
Chappaqua NY	Chappaqua Summer Scholarship Program	Chairman
Dobbs Ferry NY	The Children's Village	Finance Officer, Chief Accountant or Accounting Clerk
	St. Christopher's School	Executive Director or Controller
Garrison NY	St. Christopher's Inn	Assistant Director
Harden CT	Children's Center (New Haven Orphan Asylum)	Executive Director or Business Manager
Hawthorne NY	Hawthorne Cedar Knolls School	Bookkeeper or Resident Director
	Linden Hill School	Asst. Director or Unit Supervisor
Huntington NY	Madonna Heights School for Girls	President or Vice President
Irvington NY	The Abbott House	Director, Dept. of Mental Health
West Cliffs NY	Camp Hope	Director or Registrar
	Camp Joy	Director or Registrar

<u>LOCATION</u>	<u>ORGANIZATION</u>	<u>TITLE OF AUTHORIZED PERSONS</u>
Lincolndale NY	Lincoln Hall	Assistant Administrator
New Haven CT	Travelers Aid Society of New Haven	Executive Director or Case Worker
New York NY	Educational Alliance	Executive Director or Associate Director
	Jewish Board of Guardians	Administrator
	The Wiltwyck School	Director of Office Services
Peekskill NY	St. Joseph's Home of Peekskill	Administrator or Administrative Assistant
	St. Germaine's Home	Administrator
	Villa Loretto School	Fiscal Director
Pleasantville NY	Pleasantville Cottage School	Director of Business Affairs
Walhalla NY	Jennie Clarkson Home for Children	Assistant Director
	St. Mary's-in-the-Field	Sister Superior
Maying River NY	Little Flower Childrens Services	Superintendent
White Plains NY	White Plains Boys Residence	Administrator



**H ONE-WAY FARES FOR SENIOR CITIZENS AND THE HANDICAPPED TRAVELING ON METRO-NORTH TRAINS**

1. The fares and arrangements authorized herein apply on all Metro-North trains, except certain morning peak-hour trains designated in 1081.8, B,1,2 between any two stations in the territory bounded by New York (Grand Central Terminal), NY, on the one hand, and New Haven, New Canaan, Danbury, and Waterbury, CT, on the other. The fares apply for persons 65 years of age or over and for handicapped persons 5 years of age and over. To be entitled to these fares at the ticket office or on the train:

(a) A senior citizen must present his or her own:

1. Medicare card issued by the U.S. Social Security Administration or the Railroad Retirement Board, or
2. Driver's license giving evidence that the holder is at least 65 years of age, or
3. Birth certificate giving evidence that the holder is at least 65 years of age. The certificate must in all cases be accompanied by another form of identification such as a credit card or social security card bearing the same name.

(b) Handicapped persons must present his or her own special identification card issued by the Metropolitan Transportation Authority, the Connecticut Department of Transportation, or the City of New York.  
(See 1081.5, H, 7 regarding identification).

2. FARES One-way fares for senior citizens and for handicapped persons 5 years of age and over, traveling during unrestricted times, will be half of the regular one-way fares, deducting cents, if necessary, to make the fare end in the next lower 0 or 5 (as indicated in the conversion table in Section 1081.5 (H) 9.

Fares may be paid on trains (indicated in Rule IV) upon presentation of an authorized identification card. The fare will be computed as shown above, and no additional charge will be assessed for paying on the train.

3. SALE OF TICKETS AT TICKET OFFICES, AND TIME LIMIT Tickets of special form will be sold daily at ticket offices and will be limited to 30 days including the date of sale.
4. TRAINS ON WHICH TICKETS WILL BE HONORED Tickets will be honored on all Metro-North (non-Amtrak) trains, except the following Monday-Friday morning peak-hour trains.

On Mondays, Tuesdays, Wednesdays, Thursdays and Fridays (except Holidays\*): -

To New York (GCT) Trains (and their scheduled connections) scheduled to arrive New York (GCT) between the hours 5 AM and 10 AM, inclusive.

(On Saturdays, Sundays and Holidays\*, the time restrictions shown above will not apply).

5. SENIOR CITIZENS AND HANDICAPPED TICKETS PRESENTED ON PEAK-HOUR TRAINS Senior Citizens/Handicapped tickets presented on peak-hour trains will be subject to an additional collection of the difference between the regular one-way fare and the Senior Citizens/Handicapped fare applying between the points involved.
6. STOPOVERS Stopovers are not permitted on senior citizens or handicapped tickets. If a change of trains is necessary en route, directly connecting trains must be used.
7. IDENTIFICATION An authorized card is non-transferable and must be used only by the person to whom it has been issued. Upon request the card holder must identify himself or herself by signature or otherwise to the satisfaction of a ticket agent, trainman or other representative of the railroad.
8. OTHER RULES Other rules, regarding train service and forfeiture of tickets, are shown in 1081.15.

9. CONVERSION TABLE

WHEN REGULAR ADULT ONE-WAY FARE IS	SENIOR CITIZEN OR HANDICAPPED (off-peak) FARE IS	DIFFERENCE	WHEN REGULAR ADULT ONE-WAY FARE IS	SENIOR CITIZEN OR HANDICAPPED (off-peak) FARE IS	DIFFERENCE
\$1.15	\$ .55	\$ .60	\$4.50	\$2.25	\$2.25
1.25	.60	.65	4.55	2.25	2.30
1.60	.80	.80	4.65	2.30	2.35
2.00	1.00	1.00	4.75	2.35	2.40
2.05	1.00	1.05	4.95	2.45	2.50
2.10	1.05	1.05	5.20	2.60	2.60
2.45	1.20	1.25	5.65	2.80	2.85
2.50	1.25	1.25	5.75	2.85	2.90
2.75	1.35	1.40	6.10	3.05	3.05
2.85	1.40	1.45	6.30	3.15	3.15
2.95	1.45	1.50	6.50	3.25	3.25
3.20	1.60	1.60	6.55	3.25	3.30
3.25	1.60	1.65	6.80	3.40	3.40
3.40	1.70	1.70	7.00	3.50	3.50
3.65	1.80	1.85	7.35	3.65	3.70
3.85	1.90	1.95	8.15	4.05	4.10
4.10	2.05	2.05	8.40	4.20	4.20
4.15	2.05	2.10	9.55	4.75	4.80
4.30	2.15	2.15			

## I. FRESH AIR FARES

For Children under 16 years of age and attendants upon presentation of request form prepared by authorized Fresh Air societies as shown in M-N Circular 113 or new issues thereof.

## J. SEATS

The sale of any ticket includes no assurance of a seat on any particular train.

## K. DISCLAIMER OF RESPONSIBILITY FOR SCHEDULES

Metro-North Commuter Railroad does not assume responsibility for inconvenience, expense or damage resulting from errors in timetables, cancelled or delayed trains, failure to make connections, or for changes in or shortage of equipment. Schedules shown in timetables are subject to change without notice.

## 081.6 SIGNATURES ON COMMUTATION TICKETS

No commutation ticket sold under this tariff shall be honored unless the purchaser affixes his or her signature, with pen, in space provided on the ticket and no such ticket will be considered as valid for passage unless it bears purchaser's bona fide signature in the proper space. The proper prefix, viz: Mr., Mrs., Ms. or Miss, followed by the full name, must be shown in connection with the signature in order to indicate conclusively in every case whether the name is that of a man or a woman. In the case of a married woman, her given name must be used; for example, "Mrs. Florence E. Smith" and not "Mrs. John H. Smith". Tickets shall be marked so as to distinguish those sold for use by males and females.

## 081.7 DATING TICKETS

All tickets sold at fares published herein must show the actual date of sale.

## 081.8 USE OF TICKET

- A. One-way coach and furlough tickets will be honored in coaches on all trains
- B. Off-peak tickets will be honored on all Metro-North (non-Amtrak) trains, except the following Monday-Friday peak-hour trains:
  1. On Mondays, Tuesdays, Wednesdays, Thursdays and Fridays (except holidays\*):

a. To New York (GCT) Trains (and their scheduled connections) scheduled to arrive at New York (GCT) between 5AM and 10AM, inclusive.

b. From New York (GCT) Trains (and their scheduled connections) scheduled to leave New York (GCT) between 4PM and 7PM, inclusive.

2. (On Saturdays, Sundays and Holidays, the time restrictions shown above will not apply).

C. Weekly commutation, monthly commutation and school commutation tickets are non-transferrable and will be valid only in coaches and commuter club cars.

D. Optional routes and diversion of stations see 1081.9.

1081.9 ROUTES Fares apply via direct route only, except that weekly and monthly commutation tickets will be honored optionally as follows:

A. Diversion in Stations

1. Weekly and monthly commutation tickets reading between New York, NY and all stations authorized in this tariff will be honored, at the option of the passenger, between New York, NY and the station shown on the ticket or any other station shown herein having the same or lower fare for the ticket presented.

## (a) DIVERSION IN STATIONS BETWEEN THE NEW HAVEN AND HARLEM LINES

School tickets are not valid for diversion in stations.

A NEW HAVEN Line commutation ticket (except school) reading between New York (GCT) and:	Will also be good on the HARLEM Division between New York (GCT) and as far as:
Mt. Vernon East Pelham New Rochelle	Fleetwood
Larchmont Mamaroneck Harrison	Hartsdale
Rye Port Chester	North White Plains
Greenwich Cos Cob Riverside Old Greenwich Stamford Noroton Heights Darien	Bedford Hills
Rowayton Glenbrook Springdale Talmadge Hill New Canaan	Golden's Bridge
South Norwalk E. Norwalk	Croton Falls
Westport Green's Farms Southport Fairfield Wilton Cannondale Branchville Redding	Brewster North
Bridgeport Stratford Milford Bethel	Pawling
Danbury New Haven Derby-Shelton Ansonia Seymour Naugatuck Waterbury	Dover Plains

(E) DIVERSION IN STATIONS BETWEEN THE HARLEM AND NEW HAVEN LINES

School tickets are not valid for diversion in stations.

A HARLEM Line commutation ticket (except schools) reading between New York (GCT) and:

Will also be good on the NEW HAVEN Line between New York and stations as far as:

Tuckahoe	New Rochelle
Crestwood	
Scarsdale	
Hartsdale	
White Plains	Harrison
Nc. White Plains	
Valhalla	Port Chester
Kensico Cemetery	
Mt. Pleasant	
Hawthorne	
Thornwood	
Pleasantville	
Chappaque	
Mt. Kisco	Old Greenwich
Bedford Hills	
Katonah	Rowayton
Golden's Bridge	
Purdy's	Rowayton
Croton Falls	New Canaan
Brewster	East Norwalk
Brewster North	New Canaan
Patterson	Fairfield
Pawling	New Canaan
	Redding
Harlem Valley-	Milford
Wingdale	New Canaan
Dover Plains	Danbury

\*NOTE: An additional charge of \$1.15 shall be collected from Harlem line Fleetwood monthly and weekly ticket holders riding N.H. line trains to destinations within the New Rochelle Zone.

1081.10 REFUND OF FARES PAID IN THE ABSENCE OF TICKETS Fares paid in the absence of tickets will not be refunded.

1081.11 REDEMPTION OF TICKETS

A. One Way Coach and Discount Tickets:

1. A wholly unused ticket will be redeemed at the fare originally paid therefor.
2. A partially unused ticket will be redeemed by allowing the difference, if any, between the value of the one-way regular or discount fare applying on the date of sale for the transportation furnished and the amount originally paid for the ticket.

B. Monthly and School Commutation Tickets:

1. A wholly unused ticket presented prior to the date they first became valid for travel will be redeemed at the fare originally paid.
2. A partially unused ticket presented on or after the day they first become valid for travel will be redeemed at the difference between the purchase price and the price of round trip and/or weekly fares, whichever is less, for the valid days and weeks up to and including the day presented, except that if the ticket is presented at a ticket office before 8:30 AM, that day will not be counted.

C. Weekly Commutation Tickets:

1. A wholly unused ticket presented prior to the date they first became valid for travel will be redeemed at the fare originally paid.
2. A partially unused ticket presented on or after the day they first become valid for travel will be redeemed at the difference between the purchase price and price of round trip fares for the valid days up to and including the day presented, except that if the ticket is presented at a ticket office before 8:30 AM, that day will not be counted.

D. No service charge will apply in conjunction with redemption of tickets sold at fares herein.

NOTE: If the ticket is presented to a ticket agent for redemption, the date surrendered will be indicated by the ticket agent's date stamp on refund application Form MET 1138. If the ticket is forwarded by mail for redemption, the postal cancellation date will indicate the date of surrender.

**NOTE:** (Continued)

One off-peak round trip when available, or, if not, two one-way fares shall be charged for each applicable Saturday, Sunday and holiday; two one-way coach fares shall be charged for each applicable weekday (Monday through Friday, except holidays). In the case of redemption of partially used monthly tickets, the weekly fare shall be charged for each Saturday through Friday period when the sum of the round-trip fares, charged as described herein, exceed the fare for a weekly commutation ticket.

1081.12 **STOPOVER** Tickets sold under this tariff will be accepted for continuous passage only, and no stopover will be allowed. If a change of trains is necessary en route, directly connecting trains must be used. Weekly commutation and monthly commutation tickets are, of course, good for unlimited use between stations named thereon or between stations intermediate thereto.

1081.13 **LOST, STOLEN OR DESTROYED TICKETS** Under no circumstances will exchanges or refunds be made for lost, stolen or destroyed tickets, or the cost of replacement thereof.

1081.14 **EXCHANGE OF COMMUTATION TICKETS** Tickets may be exchanged within their limit for a ticket reading between points other than those shown on original ticket by collection of the difference in fare between old and new tickets.

1081.15 **FORFEITURE OF TICKETS** Any ticket sold at fares published herein will be forfeited if altered in any manner, and a commutation ticket will be forfeited:

- A. If tendered for passage by anyone other than the person for whom it was purchased, either with or without the knowledge or consent of said person whose personal signature is affixed to the ticket, or
- B. If the user refuses or fails to identify himself or herself by signature or otherwise, or
- C. By refusal to permit conductor to examine or punch any ticket presented for transportation.

1081.16 **BAGGAGE** Baggage will not be checked. Hand baggage may be carried on trains, but large objects that obstruct aisles or doorways are prohibited.

1081.17 **PETS** Passengers may carry small dogs, cats and other small animals onto trains, provided such animals are not offensive to passengers and do not occupy seats or cause annoyance to passengers.



A. A properly harnessed Guide or Hearing Dog accompanying a blind or deaf person or a qualified trainer of dogs to aid and guide blind or deaf persons, while engaged in such training activities, will be permitted on board trains. Upon request of the conductor or ticket collector, such person must produce evidence by certificate or license or other means that the Guide Dog or Hearing Dog has been, or is being, trained by a qualified person or a recognized training center.

061.1E NEW HAVEN LINE - SUBURBAN FARES BETWEEN NEW YORK, NY

AND	ONE-WAY	OFF-PEAK ROUND-TRIP INDIVIDUAL	WEEKLY COMMUTATION	REGULAR MONTHLY COMMUTATION	SCHOOL MONTHLY COMMUTATION	PROPORTION MONTHLY COMMUTATION
NEW YORK Mt. Vernon* Pelham* New Rochelle*	4.10	6.15	28.00	90.00	60.25	83.25
Larchmont* Manaroneck* Harrison*	4.55	6.85	30.75	99.00	66.25	92.25
Rye* Port Chester*	4.95	7.45	33.50	102.00	72.25	101.25
CONNECTICUT Greenwich Coe Cob Fiverside Old Greenwich	5.75	8.65	39.00	126.00	84.50	
Stanford Meroton Heights Derien Rowayton	6.30	9.45	40.25	130.00	87.00	
South Norwalk East Norwalk	6.80	10.20	42.50	137.00	91.75	
Westport Green's Farms Southport Fairfield	7.35	11.05	45.00	145.00	97.25	
Bridgeport Stratford Milford	8.40	12.60	49.25	159.00	106.50	
New Haven	9.55	14.35	54.50	176.00	118.00	
New Canaan Branch Glenbrook Springdale Talmadge Hill New Canaan	6.50	9.75	41.50	134.00	89.75	
Danbury Branch Wilton Carrondale	7.35	11.05	45.00	145.00	97.25	
Branchville Redding	8.15	12.25	47.75	154.00	102.25	
Bethel Danbury	8.40	12.60	49.25	159.00	106.50	
Waterbury Branch Derby Shelton Ansonia Seymour Naugatuck Waterbury	9.55	14.35	54.50	176.00	118.00	

Bus Interchange Points

1081.19 FARES: NEW HAVEN LINE - (For furlough fares, see 1081.20)

BETWEEN		FORDHAM, NY	NEW ROCHELLE MT. VERNON, NY* PELHAM, NY*	LARCHMONT, NY* MAMARONECK, NY HARRISON, NY*	RYE, NY* PORT CHESTER
NEW YORK Mt. Vernon* Pelham* New Rochelle*	OWC	\$ 1.15	\$ 1.15	\$	\$
	Wkly.	10.25	10.25		
	Cal. Mo.	33.00	33.00		
	P'p'nal School	26.25 22.00	26.25 22.00		
Larchmont* Mamaroneck* Harrison*	OWC	1.60	1.15	1.15	
	Wkly.	14.25	10.25	10.25	
	Cal. Mo.	46.00	33.00	33.00	
	P'p'nal School	39.25 30.75	26.25 22.00	26.25 22.00	
Rye* Port Chester*	OWC	2.00	1.15	1.15	1.15
	Wkly.	17.25	10.25	10.25	10.25
	Cal. Mo.	56.00	33.00	33.00	33.00
	P'p'nal School	49.25 37.50	26.25 22.00	26.25 22.00	26.25 22.00
CONNECTICUT Greenwich Cos Cob Riverside Old Greenwich	OWC	2.95	2.05	1.60	1.15
	Wkly.	24.75	17.75	14.25	10.25
	Cal. Mo.	80.00	57.00	46.00	33.00
	P'p'nal School	73.25 53.50	50.25 38.25	39.25 30.75	26.25 22.00
Stamford Noroton Hgts. Darien Rowayton	OWC	3.40	2.75	2.45	1.60
	Wkly.	27.25	23.50	21.00	14.25
	Cal. Mo.	88.00	76.00	68.00	46.00
	P'p'nal School	81.25 59.00	69.25 51.00	61.25 45.50	39.25 30.75
South Norwalk East Norwalk	OWC	3.85	3.40	2.75	2.45
	Wkly.	28.50	25.50	23.00	21.00
	Cal. Mo.	92.00	82.00	74.00	68.00
	P'p'nal School	85.25 61.75	75.25 55.00	67.25 49.50	61.25 43.50

\* Rail-bus interchange points.

- OWC - One-Way Coach Fare
- Weekly - Weekly Commutation Fare.
- Cal. Mo. - Calendar Monthly Commutation Fare
- P'p'nal - Proportional Calendar Monthly Commutation Fare. See 1081.5, D, (2).
- School - School Calendar Month Fare.

1081.19 FARES: NEW HAVEN LINE - (For furlough fares, see 1081.20)

BETWEEN			FORDHAM, NY	NEW ROCHELLE MT. VERNON, NY* PELHAM, NY*	LARCHMONT, NY* MAMARONECK, NY HARRISON, NY*	RYE, NY* FORT CHESTER
Westport Greens Farms Southport Fairfield	OWC	\$	4.30	\$ 3.65	\$ 3.25	\$ 2.75
	Wkly.		30.75	28.25	26.00	23.50
	Cal. Mo.		99.00	91.00	84.00	76.00
	P'p'nal		92.25	84.25	77.25	69.25
	School		66.25	61.00	56.25	51.00
Bridgeport Stratford Milford	OWC	\$	5.65	\$ 4.75	\$ 4.30	\$ 3.65
	Wkly.		39.25	33.25	30.75	26.25
	Cal. Mo.		127.00	107.00	99.00	91.00
	P'p'nal		120.25	100.25	92.25	84.25
	School		85.00	71.75	66.25	61.00
New Haven	OWC	\$	7.00	\$ 6.10	\$ 5.75	\$ 5.20
	Wkly.		49.00	45.50	42.50	36.25
	Cal. Mo.		158.00	147.00	137.00	117.00
	P'p'nal		151.25	140.25	130.25	110.25
	School		105.75	98.50	91.75	78.50
<u>NEW CANAAN BRANCH</u>						
Glenbrook Springdale Talmadge Hill New Canaan	OWC		3.85	2.95	2.50	2.00
	Wkly.		28.50	24.75	21.00	17.25
	Cal. Mo.		92.00	80.00	68.00	56.00
	P'p'nal		85.25	73.25	61.25	49.25
	School		61.75	53.50	45.50	37.50
<u>DANBURY BRANCH</u>						
Kent Road Wilton Cannondale	OWC		4.30	3.65	3.25	2.85
	Wkly.		30.75	28.25	26.00	23.75
	Cal. Mo.		99.00	91.00	84.00	77.00
	P'p'nal		92.25	84.25	77.25	70.25
	School		66.25	61.00	56.25	51.50
Branchville Redding Bethel Danbury	OWC		5.65	4.75	4.30	3.65
	Wkly.		39.25	33.25	30.75	26.25
	Cal. Mo.		127.00	107.00	99.00	91.00
	P'p'nal		120.25	100.25	92.25	84.25
	School		85.00	71.25	66.25	61.00
<u>WATERBURY BRANCH</u>						
Derby-Shelton Ansonia Seymour Naugatuck Waterbury	OWC		7.00	6.10	5.75	5.20
	Wkly.		49.00	45.50	42.50	36.25
	Cal. Mo.		158.00	147.00	137.00	117.00
	P'p'nal		151.25	140.25	130.25	110.25
	School		105.75	98.50	91.75	78.50

1061.19 FARES: NEW HAVEN LINE - (For furlough fares, weekly and school monthly fares. See 1061.20 and 1061.21)

BETWEEN STATIONS IN CONNECTICUT		GREENWICH, COS COB, RIVERSIDE, OLD GREENWICH	ROWAYTON DARIEN NOROTON HGTS STAMFORD	SOUTH NORWALK EAST NORWALK
Greenwich Cos Cob Riverside Old Greenwich	OWC Cal. Mo.	\$ 1.15 33.00	\$	\$
Stamford Noroton Heights Darien Rowayton	OWC Cal. Mo.	1.15 33.00	1.15 33.00	
South Norwalk East Norwalk	OWC Cal. Mo.	1.60 46.00	1.15 33.00	1.15 33.00
Wesport Green's Farms Southport Fairfield	OWC Cal. Mo.	1.65 46.00	1.25 36.00	1.15 33.00
Bridgeport Stratford Milford	OWC Cal. Mo.	2.75 76.00	2.10 57.00	1.60 46.00
New Haven	OWC Cal. Mo.	4.15 99.00	3.65 91.00	3.20 84.00
<u>New Canaan Branch</u> Glenbrook Springdale Talmadge Hill New Canaan	OWC Cal. Mo.	1.15 33.00	1.15 33.00	1.60 46.00
<u>Danbury Branch</u> Kent Road Wilton Carrondale	OWC Cal. Mo.	2.05 57.00	1.60 46.00	1.15 33.00
Branchville Redding Bethel Danbury	OWC Cal. Mo.	2.75 76.00	2.50 68.00	1.60 46.00
<u>Waterbury Branch</u> Derby-Shelton Ansonia Seymour Naugatuck Waterbury	OWC Cal. Mo.	4.15 99.00	3.65 91.00	3.20 84.00

OWC - One-Way Coach Fare -  
Cal. Mo. - Calendar Monthly Commutation Fare.

Revised 7/1/84

1081.19 FARES: NEW HAVEN LINE - (For furlough fares, weekly and school  
monthly fares,  
See 1081.20 and 1081.21)

BETWEEN STATIONS IN CONNECTICUT			WESTPORT GREEN'S FARMS SOUTHPORT FAIRFIELD	BRIDGEPORT STRATFORD MILFORD	NEW HAVEN
Westport Green's Farms Southport Fairfield	OWC Cal. Mo.		1.15 33.00		
Bridgeport Stratford Milford	OWC Cal. Mo.		1.15 33.00	1.15 32.00	
New Haven	OWC Cal. Mo.		2.50 68.00	1.60 46.00	
<u>New Canaan Branch</u>					
Glenbrook Springdale Talmadge Hill New Canaan	OWC Cal. Mo.		1.65 47.00	2.25 76.00	4.30 99.00
<u>Danbury Branch</u>					
Kent Road Wilton Cannondale	OWC Cal. Mo.		1.60 46.00	2.50 66.00	3.25 92.00
Branchville Redding Bethel Danbury	OWC Cal. Mo.		2.50 68.00	3.25 84.00	4.75 107.00
<u>Waterbury Branch</u>					
Derby-Shelton Ansonia Seymour Naugatuck Waterbury	OWC Cal. Mo.		2.50 68.00	1.60 46.00	3.25 84.00

OWC - One-Way Coach Fare  
Cal. Mo. - Calendar Monthly Commutation Fare

1081.19 FARES: NEW HAVEN LINE - (For furlough fares, weekly and school monthly fares, See 1081.20 and 1081.21)

BETWEEN STATIONS IN CONNECTICUT		NEW CANAAN TALMADGE HILL SPRINGDALE GLENBROOK	CANNON- DALE WILTON KENT ROAD
<u>New Canaan Branch</u>		\$	\$
Glenbrook			
Springdale	OWC	1.15	
Talmadge Hill	Cal. Mo.	33.00	
New Canaan			
<u>Danbury Branch</u>			
Kent Road			
Wilton	OWC	2.05	1.15
Cannondale	Cal. Mo.	57.00	33.00
<u>Branchville</u>			
Redding			
Bethel	OWC	2.95	1.15
Danbury	Cal. Mo.	80.00	33.00
<u>Waterbury Branch</u>			
Derby-Shelton			
Ansonia	OWC	4.30	3.85
Seymour	Cal. Mo.	99.00	92.00
Naugatuck			
Waterbury			

OWC - One-Way Coach Fare  
 Cal. Mo. - Calendar Monthly Commutation Fare

1081.19 FARES: NEW HAVEN LINE - (For furlough fares, weekly and school monthly fares, See 1081.20 and 1081.21)

BETWEEN STATIONS IN OR OUTSIDE		BRANCHVILLE REDDING BETHEL DANBURY	DERBY- SHELTON ANSONIA SEYMOUR NAUGATUCK WATERBURY
<u>Danbury Branch</u>		\$	\$
Branchville	OWC	1.15	
Redding	Cal. Mo.	33.00	
Bethel			
Danbury			
<u>Waterbury Branch</u>			
Derby-Shelton	OWC	4.75	1.15
Ansonia	Cal. Mo.	107.00	33.00
Seymour			
Naugatuck			
Waterbury			

OWC - One-Way Coach Fare  
 Cal. Mo. - Calendar Monthly Commutation Fare



5. Car Miles - Number of (a) car miles in revenue service on the Service to (b) car miles in revenue service on all Metro-North passenger lines. Such numbers shall be based on scheduled service.
  
6. Grand Central Terminal Car Entry - Number of (a) passenger cars in Service revenue service entering Grand Central Terminal to (b) number of passenger cars in Metro-North revenue service entering Grand Central Terminal. Such numbers will be based on Scheduled Service.
  
7. Police Expense - (a) Service Police expense (including share of costs applicable to Harlem Line Segment based on Allocator No. 12 to (b) Metro-North Police expense. The Police expense for Grand Central Terminal is to be allocated to the new Service based on its share of revenue passengers (Allocator No. 4).
  
8. Bar Car - (a) Service bar cart and bar car expenses to (b) Metro-North bar car and bar cart expenses.
  
9. Train Miles - (a) Number of revenue train miles for the Service's passenger service to (b) number of revenue train miles for Metro-North passenger service. Such numbers will be based on scheduled service.

10. Number of Trains - (a) Number of trains for the Service's passenger service (including deadheads) to (b) Number of trains for Metro-North passenger service (including deadheads). Such numbers will be based on scheduled service.
  
11. Cars - (a) Number of usable passenger cars for the Service to (b) the number of usable passenger cars for all Metro-North Lines. Such numbers should represent the annual average of the month-end numbers of usable cars.
  
12. Shared Territory Track Miles - (a) Track Miles in the Harlem Line Segment to (b) track miles on Harlem and Hudson Lines of Metro-North.
  
13. Not Used
  
14. Number of Trains - (a) Number of Service trains (including deadheads) passing that area served by the management center (MO, DB and NK) to (b) Number of Metro-North trains (including deadheads) passing such points. Such numbers will be based on Scheduled Service.

15. Grand Central Terminal Train Entry - (a) Number of Service trains (including deadheads) entering Grand Central Terminal to (b) Number of Metro-North trains (including deadheads) entering Grand Central Terminal. Such numbers will be based on Scheduled Service.
  
16. Trains Passing JO - (a) Number of Service trains (including deadheads) passing JO to (b) Number of Metro-North trains (including deadheads) passing JO. Such numbers will be based on Scheduled Service.
  
17. Standard Coaches - (a) Number of standard coaches in service on the Service to (b) Number of standard coaches in service on all Metro-North Lines. The numbers shall, in each case, represent the average of the numbers at the end of each calendar month.
  
18. Maintenance of Way - (a) Amount of Maintenance of Way Division expenses allocable to the Service (including amounts allocated from the region and Grand Central Terminal based on Factor No. 4) to (b) Metro-North Maintenance of Way Division expenses.
  
19. Track Miles - (a) Service track miles (including its share of track miles in the Harlem Line Segment) to (b) Metro-North track miles.

20. H&H Work Trains - (a) Track miles in the Harlem  
Line Segment to (b) Track miles on Hudson and Harlem  
Divison of Metro-North times (c) 50%.

21. Car Miles in Common Area - (a) Service car miles  
in the Harlem Line Segment (including deadheads)  
to (b) total Metro-North car miles in such common  
area (including deadheads).

APPENDIX B

Grand Central Terminal -  
Valuation Map Section 51, Sheets 1 through 6.

APPENDIX B

APPENDIX C





**NEW YORK-WAVERBURY**

NEW YORK		WAVERBURY	
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30

NEW YORK		WAVERBURY	
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30

**OFF-PEAK**

10:00	10:30	11:00	11:30	12:00	12:30	13:00	13:30	14:00	14:30	15:00	15:30	16:00	16:30	17:00	17:30	18:00	18:30	19:00	19:30	20:00	20:30	21:00	21:30	22:00	22:30	23:00	23:30	24:00
AM	AM	AM	AM	AM	AM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM	PM
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

**NEW HAVEN**

10:00	10:30	11:00	11:30	12:00	12:30	13:00	13:30	14:00	14:30	15:00	15:30	16:00	16:30	17:00	17:30	18:00	18:30	19:00	19:30	20:00	20:30	21:00	21:30	22:00	22:30	23:00	23:30	24:00
Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal

**NEW YORK**

10:00	10:30	11:00	11:30	12:00	12:30	13:00	13:30	14:00	14:30	15:00	15:30	16:00	16:30	17:00	17:30	18:00	18:30	19:00	19:30	20:00	20:30	21:00	21:30	22:00	22:30	23:00	23:30	24:00
Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal	Grand Central Terminal

**MONDAY-FRIDAY**

NEW YORK		DANBURY	
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30

NEW YORK		DANBURY	
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30
10:00	10:30	11:00	11:30

REFERENCE MARKS ON REVERSE SIDE

NEW YORK AIRPORTS - NEW YORK - NEW YORK

TO NEW YORK FROM NEW YORK  
NEW YORK  
MORNING PEAK  
OFF-PEAK  
EVENING PEAK  
OFF-PEAK

Table with columns for flight numbers (e.g., 1001, 1002, 1003) and rows for various destinations (e.g., New York, Newark, Philadelphia). It contains numerical data representing flight schedules and prices.

Table with columns for flight numbers (e.g., 1001, 1002, 1003) and rows for various destinations (e.g., New York, Newark, Philadelphia). It contains numerical data representing flight schedules and prices.

NEW YORK AIRPORTS - NEW YORK - NEW YORK  
Continental Airlines Company cannot assume responsibility for inaccuracies, omissions or damage resulting from errors in published, printed items. Users to make connections at the changes in or shortage of equipment. The schedule's equipment and fares on this timetable are subject to

APPENDIX D





04/28/85 METRO-NORTH COMMUTER RAILROAD  
GRAND CENTRAL TERMINAL TRACK ASSIGNMENTS

D A Y	TRN NO. (turn)	GCT AR/DP TIME	FR TRK ASSN	TO TD EQUIP	TURN		
					A	R	TURN
9502	0622A	028	04-M1		9507	0731A	
9004	0725A	029	04-M3		9009	0849A	
6303	0733A	020	04-M2		6314	0841A	
8702	0735A	037	04-M1		8711	0821A	
6505	0744A	025	06-M2		6518	1006A	
8704	0750A	035	04-M1		8761	0851A	
9506	0755A	036	04-M1		8713	0921A	
9508	0822A	015	06-M1		9527	0501P	
6307	0833A	021	04-M2		6318	0940A	
8706	0835A	030	04-M1		9511	0931A	
9010	0839A	032	04-M3		9013	1049A	
6509	0839A	017	06-M2		6352	0611P	
8808	0850A	038	07-STD		8815	0951A	
9510	0855A	037	04-M1		8717	1021A	
6309	0903A	020	06-M2		6322	1041A	
9512	0922A	028	06-M1		9531	0601P	
6311	0933A	016	06-M2		Mo 1012	0610A	
8710	0935A	027	04-M1		9513	1031A	
6513	0939A	026	08-M2		6522	1106A	
9014	0939A	029	06-M3		9025	0449P	
8712	0950A	035	04-M1		8763	1051A	
9514	0955A	036	06-M1		8719	1121A	
6313	1003A	021	06-M2		6326	1141A	
A078	1006A	018	TURBO		A073	1245P	
8714	1035A	030	06-M1		9515	1131A	
6517	1039A	025	08-M2		6526	1206P	
9016	1039A	034	06-M3	Su	9005	0601A	
9516	1055A	037	06-M1		8723	1221P	
6519	1058A	019	08-M2		6348	0511P	
6317	1103A	020	08-M2		6330	1241P	
A072	1106A	023	TURBO		A071	0245P	
8716	1135A	027	06-M1		9517	1231P	
6521	1139A	026	08-M2		6530	0106P	
9018	1139A	032	06-M3		9017	1249P	
9518	1152A	036	06-M1		8725	0121P	
8718	1150A	035	04-M1		8765	1251P	
6321	1203P	021	06-M2		6334	0141P	
A054	1217P	042/18	AMF		A033	0345P	
9020	1239P	039	04-M3		9021	0249P	
8720	1235P	030	04-M1		9519	0131P	
6525	1239P	025	08-M2		6534	0206P	
9520	1255P	037	04-M1		8729	0221P	
6325	0103P	020	06-M2		6338	0241P	
A048	0135P	038	Y STD		A049	0725P	
8722	0135P	027	04-M1		9521	0231P	
6529	0139P	026	08-M2		6538	0306P	
8724	0150P	035	04-M1		8767	0251P	
9522	0153P	036	04-M1		8731	0321P	
A074	0154P	042	Y TURBO	Su	A071	0245P	
6329	0203P	021	06-M2		6342	0341P	
8726	0235P	030	04-M1		9523	0331P	
6533	0239P	025	08-M2		6542	0406P	
9024	0239P	032	04-M3		9023	0349P	
9524	0255P	037	04-M1		8735	0421P	
6333	0303P	020	06-M2		6346	0441P	
A056	0311P	023	TURBO		A055	1130P	

04/28/85 METRO-NORTH COMMUTER RAILROAD  
GRAND CENTRAL TERMINAL TRACK ASSIGNMENTS

D A Y	TRN NO. (turn)	GCT AR/DP TIME	FR TRK ASSN	TO TD EQUIP	TURN		
					A	R	TURN
8728	0335P	027	06-M1		9525	0431P	
6537	0339P	026	08-M2		6546	0506P	
8730	0350P	035	04-M1		8769	0451P	
9526	0353P	036	04-M1		8737	0521P	
6337	0403P	021	06-M2		6350	0541P	
A062	0419P	024	TURBO		A075	0545P	
8732	0435P	030	06-M1		9529	0531P	
6541	0439P	025	08-M2		6550	0606P	
9028	0439P	032	06-M3		9029	0549P	
9528	0455P	037	04-M1		8741	0621P	
6341	0503P	020	06-M2		6354	0641P	
8860	0517P	038	07-STD		8839	0551P	
6343	0533P	019	06-M2		6300	1241A	
8734	0535P	027	04-M1		9533	0631P	
6545	0539P	026	06-M2		6554	0706P	
9030	0539P	035	04-M3		8771	0651P	
9530	0553P	036	04-M1		8743	0721P	
6345	0603P	021	06-M2		6358	0741P	
8736	0605P	029	04-M3		0699	0712P	
8738	0635P	030	04-M1		9535	0731P	
6549	0639P	025	06-M2		6558	0806P	
9032	0639P	032	04-M3		9035	0749P	
9532	0655P	037	04-M1		8747	0821P	
6349	0703P	020	04-M2		6362	0841P	
A068	0719P	042/18	AMF	Su	A069	1010A	
8740	0735P	027	04-M1		9537	0831P	
6553	0739P	026	06-M2		6562	0906P	
8742	0750P	035	04-M1		8773	0851P	
9534	0752P	036	04-M1		8749	0921P	
6353	0803P	021	04-M2		6366	0941P	
2070	0808P	029	04-M3		2073	1110P	
8744	0835P	030	04-M1		9539	0931P	
9036	0839P	032	04-M3		9039	0949P	
9536	0855P	037	04-M1		8753	1021P	
A064	0857P	041/24	AMF	Su	A063	0845A	
6357	0903P	020	04-M2		6370	1041P	
8746	0935P	027	04-M1		9541	1031P	
6561	0939P	026	06-M2		6570	1121P	
8748	0950P	028	04-M1	Su	9509	0831A	
9538	0952P	036	04-M1		8755	1121P	
6361	1003P	021	04-M2		6374	1141P	
8750	1035P	030	04-M1		9543	1131P	
9040	1039P	032	04-M3		9043	1149P	
9540	1055P	037	08-M1	4/	8701	1221A	
			Set Over to 35	4/	8761	0851A	
6365	1103P	025	04-M2		6500	1236A	
8752	1135P	027	04-M1		9501	1231A	
6569	1139P	026	04-M2	Su	6504	0541A	
9542	1152P	030	04-M1		8703	0121A	
6369	1203A	020	04-M2		6502	0131A	
0698	1208A	029	04-M3	Su	9009	0849A	
8756	1235A	036	08-M1	4/	8705	0621A	
				4/	8707	0721A	
9044	1252A	027	04-M3		9003	0131A	
6573	0103A	021	08-M2	4/	6306	0641A	
				4/	6310	0741A	
6301	0128A	019	04-M2	Su	6510	0806A	

04/28/85 METRO-NORTH COMMUTER RAILROAD  
GRAND CENTRAL TERMINAL TRACK ASSIGNMENTS

TRN NO.	GCT AR/DP TIME	FR TRK TO	C	TURN		NEXT TRN
				A	TRN	
6504	0541A	025	04-M2	C	1597	0104A
9005	0601A	029	04-M3		0794	1235A
8705	0621A	036	04-M1		pt 0592	1152P
6306	0641A	020	04-M2		1593	1039P
8707	0721A	036	04-M1		pt 0592	1152P
9507	0731A	028	04-M1		9502	0622A
6310	0741A	021	06-M2		1595	1139P
9007	0749A	032	04-M3		0698	1208A
6510	0806A	018	06-M2		6301	0128A
8711	0821A	037	04-M1		8702	0735A
9509	0831A	027	04-M1		pt 0792	1135P
6314	0841A	020	04-M2		6303	0733A
A063	0845A	024	AMF		A064	0857P
9009	0849A	029	04-M3		9004	0725A
8761	0851A	035	04-M1		8704	0750A
6514	0906A	016	06-M2		1389	0933P
8713	0921A	036	04-M1		9506	0755A
9511	0931A	030	04-M1		8706	0835A
6318	0941A	021	04-M2		6307	0833A
8815	0951A	038	07-STD		8808	0850A
6518	1006A	025	06-M2		6505	0744A
A069	1010A	023	AMF		A068	0719P
8717	1021A	037	04-M1		9510	0855A
9513	1031A	027	04-M1		8710	0935A
6322	1041A	020	06-M2		6309	0933A
9013	1049A	032	04-M3		9010	0839A
8763	1051A	035	04-M1		8712	0950A
6522	1106A	026	08-M2		6513	0939A
8719	1121A	036	06-M1		9514	0955A
9515	1131A	030	06-M1		8714	1035A
6326	1141A	021	06-M2		6313	1003A
6526	1206P	025	08-M2		6517	1039A
8723	1221P	037	06-M1		9516	1055A
9517	1231P	027	06-M1		8716	1135A
6330	1241P	020	08-M2		6317	1103A
A073	1245P	018	TURBO		A078	1006A
9017	1249P	032	06-M3		9018	1139A
8765	1251P	035	04-M1		8718	1150A
6530	0106P	026	08-M2		6521	1139A
8725	0121P	036	06-M1		9518	1152A
9519	0131P	030	04-M1		8720	1235P
6334	0141P	021	06-M2		6321	1203P
6534	0206P	025	08-M2		6525	1239P
8729	0221P	037	04-M1		9520	1255P
9521	0231P	027	04-M1		8722	0135P
6338	0241P	020	06-M2		6325	0103P
A071	0245P	023	TURBO		A072	1106A
9021	0249P	039	04-M3		9020	1239P
8767	0251P	035	04-M1		8724	0150P
6538	0306P	026	08-M2		6529	0139P
8731	0321P	036	04-M1		9522	0153P
9523	0331P	030	04-M1		8726	0235P
6342	0341P	021	06-M2		6329	0203P
A033	0345P	018	AMF		A054	1217P
9023	0349P	032	04-M3		9024	0239P

04/28/85 METRO-NORTH COMMUTER RAILROAD  
GRAND CENTRAL TERMINAL TRACK ASSIGNMENTS

D TRN NO.	GCT AR/DP TIME	FR TRK TO	C	TURN		NEXT TRN
				A	TRN	
6542	0406P	025	08-M2		6533	0239P
8735	0421P	037	04-M1		9524	0255P
9525	0431P	027	06-M1		8728	0335P
6346	0441P	020	06-M2		6333	0303P
9025	0449P	029	06-M3		9014	0939A
8769	0451P	035	04-M1		9730	0350P
9527	0501P	015	06-M1		9508	0822A
6546	0506P	026	08-M2		6537	0339P
6348	0511P	019	08-M2		6519	1058A
8737	0521P	036	04-M1		9526	0353P
9529	0531P	030	06-M1		8732	0435P
6350	0541P	021	06-M2		6337	0403P
A075	0545P	024	TURBO		A062	0419P
9029	0549P	032	06-M3		9028	0439P
8839	0551P	038	07-STD		8860	0517P
9531	0601P	028	06-M1		9512	0922A
6550	0606P	025	08-M2		6541	0439A
6352	0611P	017	06-M2		6509	0839A
8741	0621P	037	04-M1		9528	0455P
9533	0631P	027	04-M1		8734	0535P
6354	0641P	020	06-M2		6341	0503P
8771	0651P	035	04-M3		9030	0539P
6554	0706P	026	06-M2		6545	0539P
0699	0712P	029	04-M3		8736	0605P
8743	0721P	036	04-M1		9530	0553P
A049	0725P	018	STD		A048	0135P
9535	0731P	030	04-M1		8738	0635P
6358	0741P	021	06-M2		6345	0603P
9035	0749P	032	04-M3		9032	0639P
6558	0806P	025	06-M2		6549	0639P
8747	0821P	037	04-M1		9532	0655P
9537	0831P	027	04-M1		8740	0735P
6362	0841P	020	04-M2		6349	0703P
8773	0851P	035	04-M1		8742	0750P
6562	0906P	026	06-M2		6553	0739P
8749	0921P	036	04-M1		9534	0752P
9539	0931P	030	04-M1		8744	0835P
6366	0941P	021	04-M2		6353	0803P
9039	0949P	032	04-M3		9036	0839P
8753	1021P	037	04-M1		9536	0855P
9541	1031P	027	04-M1		8746	0935P
6370	1041P	020	04-M2		6357	0903P
2073	1110P	029	04-M3		2070	0808P
6570	1121P	026	06-M2		6561	0939P
8755	1121P	036	04-M1		9538	0952P
A055	1130P	023	TURBO		A056	0311P
9543	1131P	030	04-M1		8750	1035P
6374	1141P	021	04-M2		6361	1003P
9043	1149P	032	04-M3		9040	1039P
8701	1221A	037	04-M1		pt 9540	1055P
9501	1231A	027	04-M1		8752	1135P
6500	1236A	025	04-M2		6365	1103P
6300	1241A	019	06-M2		6343	0533P
8703	0121A	030	04-M1		9542	1152P
6502	0131A	020	04-M2		6369	1203A
9003	0131A	027	04-M3		9044	1252A









APPENDIX E



061.20 NEW HAVEN LINE FURLOUGH FARES  
FOR MEMBERS OF THE ARMED FORCES

<u>WHEN REGULAR ADULT ONE-WAY FARE IS</u>	<u>ONE-WAY FURLOUGH FARE IS</u>	<u>WHEN REGULAR ADULT ONE-WAY FARE IS</u>	<u>ONE-WAY FURLOUGH FARE IS</u>	<u>WHEN REGULAR ADULT ONE-WAY FARE IS</u>	<u>ONE-WAY FURLOUGH FARE IS</u>
\$1.15	\$ .85	\$3.20	\$2.40	\$5.20	\$3.90
1.25	.95	3.25	2.45	5.65	4.25
1.50	1.15	3.40	2.55	5.75	4.30
1.60	1.20	3.65	2.75	5.80	4.35
1.65	1.25	3.70	2.80	6.10	4.60
1.95	1.45	3.85	2.90	6.30	4.75
2.00	1.50	3.90	2.95	6.50	4.90
2.05	1.55	4.10	3.10	6.55	4.90
2.10	1.60	4.15	3.10	6.80	5.10
2.35	1.75	4.20	3.15	7.00	5.25
2.45	1.85	4.30	3.25	7.35	5.50
2.50	1.90	4.50	3.40	8.15	6.10
2.75	2.05	4.55	3.40	8.40	6.30
2.85	2.15	4.65	3.50	9.55	7.15
2.95	2.20	4.75	3.55		
3.15	2.35	4.95	3.70		

1081.21 NEW HAVEN LINE CONVERSION TABLE FOR WEEKLY AND SCHOOL CALENDAR MONTH FARES  
 (Connecticut Intrastate)

WEEKLY		SCHOOL	WEEKLY		SCHOOL	WEEKLY		SCHOOL
CAL. MO	FARE	CAL. MO.	CAL. MO	FARE	CAL. MO.	CAL. MO.	FARE	CAL. MO.
FARE IS	WILL BE	WILL BE	FARE IS	WILL BE	WILL BE	FARE IS	WILL BE	WILL BE
\$33.00	\$10.25	\$22.00	\$ 80.00	24.75	53.50	108.00	33.50	72.25
36.00	11.25	24.00	82.00	25.50	55.00	114.00	35.25	76.50
46.00	14.25	30.75	84.00	26.00	56.25	117.00	36.25	78.50
47.00	14.50	31.50	85.00	26.25	57.00	126.50	39.00	84.50
56.00	17.25	37.50	88.00	27.25	59.00	127.00	39.25	85.00
57.00	17.75	38.25	90.00	28.00	60.25	130.00	40.25	87.00
<hr/>								
65.00	20.25	43.50	91.00	28.25	61.00	134.00	41.50	89.75
68.00	21.00	45.50	92.00	28.50	61.75	137.00	42.50	91.75
74.00	23.00	49.50	99.00	30.75	66.25	145.00	45.00	97.25
76.00	23.50	51.00	102.00	31.50	68.25	147.00	45.50	98.50
77.00	23.75	51.50	107.00	33.25	71.75	158.00	49.00	105.75
						159.00	49.25	106.50
						176.00	54.50	118.00

- One-way Coach Fare

Cal. Mo. - Calendar Monthly Commutation Fare

1081.22

CHARGES FOR EXCLUSIVE USE OF SPACE IN COACHES BETWEEN SOUTH NORWALK, CT  
and NEW YORK (GRAND CENTRAL TERMINAL), NY

A. Charges shown below will be collected for the exclusive use by members of an organization of a block of 26 seats in the rear section of the last coach on regularly scheduled passenger trains mutually agreed upon in writing and at the convenience of the railroad between South Norwalk, CT and New York (Grand Central Terminal), NY.

1. Charges to New York for a period of one calendar month, for service daily except Saturdays, Sundays, and holidays\*:

	<u>ONE-WAY</u>	<u>ROUND TRIP</u>
From South Norwalk, CT	\$380.00	\$559.00

2. If the railroad is unable to provide the agreed space more than twice during a calendar month, the railroad shall refund to the organization a portion of the above-stated monthly charge. The applicable charge for said month shall be determined on a per diem basis, calculated by dividing the monthly charge by the number of weekdays in the month, rounded to the nearest cent. Weekdays are Monday through Friday, excluding holidays.

B. The above charges are in addition to the regular tariff fares applying between points from and to which each occupant of such car rides, as shown in Tariff 1081.19, Index 15 or new issues thereof.

1081.23 LOCAL PASSENGER TARIFF OF OPTIONAL HONORING ARRANGEMENTS AMTRAK

A. Tickets and coupons of all classes routed via Amtrak valid for passage between points served in common by the National Railroad Passenger Corporation (Amtrak) and Metro-North will be honored at the option of the passenger on Metro-North trains. (See exceptions listed below)

EXCEPTIONS:

1. Amtrak tickets for Senior Citizens/Handicapped will not be honored upon additional collection or otherwise on:
  - (a) Metro-North peak-period trains in other areas, which are those indicated in the following tariffs, or new issues thereof:

1. On the New Haven Line	Section 1081.0
2. On the Hudson Line	Section 1082.0
2. Amtrak free or reduced rate employee tickets will not be honored on Metro-North trains.
3. Amtrak 10-trip tickets reading between New York (Pennsylvania Station), NY, Rye, NY, Stamford, CT, and Bridgeport, CT (on the one hand) and stations north or east of New Haven, CT (on the other) will not be honored on Metro-North trains.
4. U.S.A. Rail Pass tickets will not be honored on Metro-North trains.



81.24 PASSENGER TARIFF OF SPECIAL ROUND TRIP EXCURSION FARES FROM NEW YORK (Grand Central Terminal), NY

A. APPLICATION OF THE TARIFF - These fares are available only in connection with the purchase of admission tickets to the National Boat Show and the Greater NY Auto Show at the NY Coliseum in New York, NY.

B. ROUND-TRIP EXCURSION FARES

1. Fares from Harlem and Hudson Division points in New York TO: NEW YORK, NY

<u>FROM</u>	<u>ADULT</u>	<u>CHILD</u>	<u>FROM</u>	<u>ADULT</u>	<u>CHILD</u>
<u>HARLEM DIVISION</u>			<u>HUDSON DIVISION</u>		
125th Street	3.90	1.95	125th Street	3.90	1.95
Melrose			Morris Heights		
Tremont	4.15	2.10	University Heights	4.25	2.15
Fordham			Marble Hill		
Bontanical Garden	4.30	2.15	Spuyten Duyvil	4.45	2.25
Williams Bridge			Riverdale	4.80	2.40
Woodlawn			Ludlow		
Wakefield	4.70	2.35	Yonkers	5.05	2.55
Mount Vernon West			Glenwood		
Fleetwood	4.95	2.50	Greystone	5.30	2.65
Bronxville			Hastings		
Tuckahoe	5.20	2.60	Dobbs Ferry		
Crestwood			Ardsley	5.75	2.90
Scarsdale			Irvington		
Hartsdale	5.65	2.85	Tarrytown		
White Plains			Philipse Manor	6.45	3.25
North White Plains	6.00	3.00	Scarborough		
Valhalla			Ossining		
Mount Pleasant			Croton Harmon	7.05	3.55
Hawthorne	6.45	3.25	Croton North		
Thornwood			Crugers		
Pleasantville			Montrose	7.70	3.85
Chappaqua	6.95	3.50	Peekskill	8.00	4.00
Mount Kisco			Manitou	8.50	4.25
Bedford Hills	7.65	3.85	Garrison		
Katonah			Cold Spring	9.15	4.60
Golden's Bridge	8.15	4.20	Breakneck Ridge		
Purdys			Beacon		
Croton Falls	8.65	4.35	New Hamburg	10.30	5.15
Brewster			Poughkeepsie	11.65	5.85
North Brewster	9.30	4.65			
Patterson					
Pavling	10.40	5.20			
Harlem Valley -					
Wingdale	11.55	5.80			
Dover Plains					

2. Fares from New Haven "West End" points -

		TO: NEW YORK, NY, CCT			
FROM	ADULT	CHILD	FROM	ADULT	CHILD
<u>NEW YORK</u>			<u>CONNECTICUT</u>		
Mount Vernon			Bridgeport		
Pelham	5.15	2.60	Stratford	10.50	5.25
New Rochelle			Milford		
Larchmont			New Haven	11.95	6.00
Mamaroneck	5.70	2.85	<u>NEW CANAAN BRANCH</u>		
Harrison			Glenbrook		
Rye			Springdale	8.15	4.10
Port Chester	6.20	3.10	Talmadge Hill		
<u>CONNECTICUT</u>			New Canaan		
Greenwich			<u>DANBURY BRANCH</u>		
Cos Cob	7.20	3.60	Wilton		
Riverside			Cannondale	9.20	4.60
Old Greenwich			Branchville		
Stamford			Redding	10.50	5.25
Noroton Heights			Bethel		
Darien	7.90	3.95	Danbury		
Rowayton			<u>WATERBURY BRANCH</u>		
South Norwalk			Derby - Shelton		
East Norwalk	8.50	4.25	Ansonia		
Westport			Seymour	11.95	6.00
Greens Farm			Naugatuck		
Southport	9.20	4.60	Waterbury		
Fairfield					

C. DATES FOR WHICH TICKETS WILL BE ISSUED - Tickets will be sold daily for use on January 12, 1984 through February 6, 1984, inclusive.

D. TIME LIMIT - Date for which ticket is issued.

E. TRAINS ON WHICH TICKETS WILL BE HONORED - Ticket will be honored on all Metro-North (non-Amtrak) trains except the following - Monday-Friday peak-period trains:

Trains to New York (and their scheduled connections) scheduled to arrive at New York (Grand Central Terminal) between 6 AM and 10 AM, inclusive.

Trains from New York (and their scheduled connections) scheduled to leave New York (Grand Central Terminal) between 4 PM and 7 PM, inclusive.

APPENDIX F

F. TICKETS - Special round-trip tickets will be sold at ticket offices. Tickets will not be sold on trains.

G. CHILDREN - Children under 5 years of age, when accompanied by a parent or guardian, will be transported without additional charge. Children 5 and under 12 years of age will be charged the fares shown in Rule 2; coupons of half-fare tickets must be faced "1/2" or "half". Children 12 years of age and over will be charged the adult fare.

H. STOPOVER - will not be allowed.

APPENDIX F

Harlem Line  
Valuation Map Section 52, Sheets 1 through 24  
and Valuation Map Section 54, Sheets 1 through 53.

Hudson Line  
Valuation Map Section 59, Sheets 1 through 29,  
and Valuation Map Section 60, Sheets 1 through 41.

New Haven Line  
Valuation Map Section 53/80, Sheets 1 through 5,  
Valuation Map Section 53/81, Sheets 6 through 15,  
Valuation Map Section 53/60, Sheets 16 through 23,  
Valuation Map Section 53/61, Sheets 24 through 31,  
Valuation Map Section 53/62, Sheets 32 through 45,  
Valuation Map Section 53/63, Sheets 46 through 51,  
Valuation Map Section 53/64, Sheets 56 through 60 and  
Valuation Map Section 52/60, Sheets 61 and 52.

New Canaan Branch  
Valuation Map Section 53/65, Sheets 1 through 6.

Waterbury Branch  
Valuation Map Section 57.70, Sheets 1 through 28.

Danbury Branch  
Valuation Map Section 58/69, Sheets 24 through 11,  
Valuation Map Section 58/70, Sheets 10 through 3,  
Valuation Map Section 58/71, Sheets 2 and 1,  
Valuation Map Section 58/66, Sheets 128, 129,  
and 129X.

TRANSMISSION LINE AGREEMENT made this 13th day of January, 1966, between RICHARD JOYCE SMITH, WILLIAM J. KIRK and HARRY W. DORIGAN, as TRUSTEES OF THE PROPERTY OF THE NEW YORK, NEW HAVEN AND HARTFORD RAILROAD COMPANY, Debtor in proceedings for reorganization under Section 77 of the Bankruptcy Act (hereinafter called Railroad Company) and THE UNITED ILLUMINATING COMPANY, a corporation organized and existing under the laws of the State of Connecticut (hereinafter called Power Company),

W I T N E S S E T H :

WHEREAS, in accordance with the provisions of a certain Lease and Agreement dated May 4, 1940, between Howard S. Palmer, James Lee Loomis and Henry B. Sawyer, as Trustees of the property of Railroad Company, and Power Company, and in accordance with the provisions of paragraph (5) of a certain deed from Railroad Company to the Power Company dated July 28, 1952 and recorded in the Bridgeport Land Records in Volume 1029 at Pages 219-228, and in accordance with the provisions of a certain Transmission Line Agreement dated August 31, 1956, between Railroad Company and Power Company, as amended on June 28, 1957 and December 30, 1963, Power Company has installed and is now operating a transmission system on, above and under land used by Railroad Company in the operation of the railroad from a point west of Bridgeport to a point north of New Haven; and

WHEREAS, Power Company desires to extend its transmission system from time to time hereafter on, above or under other land used by Railroad Company in the operation of the railroad westerly from Bridgeport and northerly from New Haven; and

WHEREAS, certain structures of Railroad Company, as now constructed or as hereafter may be constructed, with certain modifications, and certain land used by Railroad Company in the operation of the railroad are suitable for the purpose of said extensions of Power Company's transmission system; and

WHEREAS, Railroad Company and Power Company desire to amend the existing Transmission Line Agreement.

THEREFORE, it is agreed:

I.

LEASE AND GRANT

(a) Railroad Company leases and grants to Power Company the right to continue to operate, at its own expense and without expense to Railroad Company, upon certain of Railroad Company's structures, both those now in existence and those which may hereafter be erected, and on, above or under certain of its land used in the operation of its railroad, located as follows:

(1) between Bridgeport and New Haven, situated generally between catenary structures Nos. 767 and 1052, inclusive, which are approximately between stations 2270 + 80 and 3136 + 00 of the monumented four track center line of the railroad from New York to New Haven,

and the right, at Power Company's own expense and without expense to Railroad Company, to continue to operate upon certain of Railroad Company's structures now in existence and to install from time to time and operate upon certain of Railroad Company's structures, both those now in existence and those which may hereafter be erected, and on, above or under certain of Railroad Company's land used in the operation of its railroad, located as follows:

(2) along Railroad Company's Springfield Line, between catenary structures Nos. 1103 and 1132, inclusive, which are approximately between station 47 + 28 and station 127 + 62 of the monumented center line of the railroad from Belle Dock, New Haven to Springfield,

and the right to install from time to time and operate, at Power Company's own expense and without expense to Railroad Company, upon certain of Railroad Company's structures, both those now in existence and those which may hereafter be erected, and on, above or under certain of the land used in the operation of the railroad, located as follows:

(3) between Bridgeport and the Fairfield-Westport Town Line, situated generally between

catenary structures Nos. 767 and 647, inclusive, which are approximately between stations 2270 + 80 and 1913 + 83 of the monumented four track center line of the railroad from New York to New Haven, and the right, at Power Company's own expense and without expense to Railroad Company, to continue to operate upon structures heretofore erected by Power Company and to install from time to time and operate upon structures to be erected by Power Company, and on, above or under certain of Railroad Company's land used in the operation of the railroad, located as follows:

(4) along Railroad Company's Belle Dock Branch in New Haven, between a point approximately 600 feet south of the intersection of Grand Avenue and Railroad Company's Belle Dock Branch in New Haven (measured along the division line between land of Railroad Company and land of Power Company) and catenary structure No. 1103 (including said structure) which points are approximately between station 29 + 40 and station 47 + 28 of the monumented center line of the railroad from Belle Dock, New Haven to Springfield, and

(5) along Railroad Company's Springfield Line, between catenary structure No. 1132 (including said structure) and a point approximately 750 feet north of the North Haven-Wallingford Town Line on Railroad Company's Springfield Line, which points are approximately between station 127 + 62 and station 531 + 12 of the monumented center line of the railroad from Belle Dock, New Haven to Springfield, but only on, above or under land lying easterly of the main railroad tracks along said route, except as otherwise approved by Railroad Company, and on, above or under any portion or portions thereof (except as otherwise provided in the foregoing paragraph (5)) a high voltage transmission system (hereinafter referred to as the "transmission system") with the supporting structures and



other appurtenances thereto, together with the right to erect such new structures on said land as may be necessary for the support thereof.

(b) Railroad Company further leases and grants to Power Company the right to continue to operate all of the connecting lines heretofore installed and presently being operated by Power Company and to install from time to time and operate additional connecting lines on, above or under land owned and used by Railroad Company in the operation of its railroad from the transmission system to the generating plants, stations and substations which Power Company owns or may hereafter construct along its transmission system and to stations, substations and lines of other power companies together with the right to erect such new structures on said land as may be necessary for the support thereof.

(c) Railroad Company further leases and grants to Power Company the right to continue to operate all of the connecting lines heretofore installed and presently being operated by Power Company and to install from time to time and operate additional or substituted connecting lines from the transmission system to facilities of Power Company now or hereafter to be located on its Bridgeport Harbor station property which was conveyed to it by said deed of Railroad Company dated July 28, 1952, on, above or under a certain parcel of land used by Railroad Company in the operation of its railroad which is delineated and shown as "Easement Area" on a certain map attached hereto and made a part hereof, entitled "EASEMENT AREA FOR TRANSMISSION LINES OF THE UNITED ILLUMINATING COMPANY AND AREA TO BE RELEASED BY THE UNITED ILLUMINATING COMPANY - BRIDGEPORT, CONN. -DWG. NO. 410-11 4-9- 63" (a duplicate of which map was filed in the Office of the Town Clerk of Bridgeport on February 5, 1964 vol. 1280 page 523, of Bridgeport Land Records), and bounded and described as set forth in Exhibit A attached hereto and made a part hereof (said parcel of land being hereinafter called the "easement area") and to construct, maintain, inspect, repair, replace and remove such poles, wires, cables, conduits, duct lines, pipes and other structures as may

be necessary or appropriate in connection with such connecting lines, it being understood that such connecting lines, poles, wires, cables, conduits, duct lines, pipes and other structures hereafter installed shall be placed at such locations within the easement area as Railroad Company and Power Company mutually agree, and to construct, maintain, inspect, repair, replace and remove such supporting wires, guys and anchors outside of the easement area as the parties may hereafter from time to time agree are advisable in connection with such connecting lines.

## II.

### TRANSMISSION SYSTEM

(a) The transmission system of Power Company shall consist of two three-phase sixty cycle circuits of such kinds and sizes of wire as may be found necessary or desirable by Power Company's engineers and approved by Railroad Company, operated at voltages up to one hundred fifteen thousand (115,000) volts if initially constructed or heretofore or hereafter reconstructed for operation at such voltages (or such other voltage as may be found necessary or desirable by Power Company's engineers and approved by Railroad Company), with the insulators, fastenings and other appurtenances necessary to attach them to the supporting structures, together with ground wires of suitable size and material.

(b) The portion of the transmission system along the land of Railroad Company described in paragraphs (1), (2) and (3) of Section (a) of Article I shall be carried upon suitable additions to or modifications of present structures which now or which may hereafter carry the power distribution system and other appurtenances of Railroad Company or upon independent supporting structures, or said portion of the transmission system may be placed underground, or partly on structures of the Railroad Company, partly on independent supporting structures and partly underground.

(c) The portion of the transmission system along the land of Railroad Company described in paragraphs (4) and (5) of

Section (a) of Article I shall be carried upon independent supporting structures heretofore erected or to be erected by Power Company, or said portion of the transmission system may be placed underground, or partly on such independent supporting structures and partly underground.

III.

OBLIGATIONS OF POWER COMPANY

Power Company agrees:

(a) To notify Railroad Company each time it shall determine to proceed with the construction of an additional portion of the transmission system and, if it shall construct such additional portion, to erect any new supports required, and to make any necessary modifications of existing structures, to furnish all labor, material and tools necessary therefor, and to pay to Railroad Company the established rates customarily charged by Railroad Company for equipment which it may desire to rent from Railroad Company.

(b) To pay to Railroad Company as rent for the rights hereby leased and granted:

(1) 54.06 cents per annum per lineal foot of those portions of the land of Railroad Company above which any part of the transmission system has heretofore been installed upon structures of Railroad Company carrying its power distribution system and is now in operation, plus

(2) 54.06 cents per annum per lineal foot of those portions of the land of Railroad Company above which any part of the transmission system is hereafter installed upon structures of Railroad Company carrying its power distribution system, but excluding those portions of the land of Railroad Company with respect to which rent is being paid immediately prior to such installation under the provisions of either the foregoing paragraph (1) or this paragraph (2), plus

(3) for those portions of the transmission system heretofore installed and now in operation, and for those

portions of the transmission system hereafter installed, otherwise than upon structures carrying the power distribution system of Railroad Company - 15 cents per annum per lineal foot for the first circuit, 5 cents per annum per lineal foot for one additional circuit and 15 cents per annum per lineal foot for each circuit in excess of two circuits, plus

(4) for those portions of the land of Railroad Company on, above or under which the right to install and operate the transmission system is hereby leased and granted to Power Company, but on, above or under which Power Company shall not have commenced to erect any part of its transmission system - 5 cents per annum per lineal foot until September 1, 1966 and 10 cents per annum per lineal foot thereafter and until May 4, 1980; provided, however, that Power Company shall have the right to abandon from time to time on at least one (1) year's prior written notice to Railroad Company such part or parts or all of those portions of the land of Railroad Company referred to in this Paragraph (4) and on, above or under which Power Company shall not have commenced to erect any part of its transmission system, and in the event of such abandonment the obligation of Power Company to pay rent with respect to each such abandoned part shall cease and terminate, plus

(5) with respect to connecting lines installed after September 1, 1956 and presently being operated by Power Company pursuant to the provisions of Section (b) of Article I of said Transmission Line Agreement dated August 31, 1956 and such additional connecting lines as may hereafter be installed and operated by Power Company pursuant to the provisions of Section (b) of Article I of this Agreement, (but this paragraph shall not apply to connecting lines at the ends of portions of the transmission system installed after

September 1, 1956), for each lineal foot of land of Railroad Company on, above or under which each such connecting line is located (measured from the center point of the transmission system to the boundary of Railroad Company's land) the same number of cents per annum as Power Company is at the time of each rental payment obligated to pay as rent to Railroad Company under the provisions of this Section (b) with respect to the portion of the transmission system from which such connecting line runs, plus

(6) if Power Company shall hereafter erect additional structures on land of Railroad Company (but this paragraph shall not apply to any poles, towers, wires, guys, cables, conduits, duct lines, pipes, additions to structures of Railroad Company or to any structures erected in the easement area described in Section (c) of Article I or to any structures supporting the transmission system or supporting any connecting line), a reasonable amount per annum for the land occupied by each such structure, such amount to be agreed upon by the parties hereto or if they shall not agree, such amount shall be referred to arbitration in accordance with the provisions of Article XIV, and the decision of the arbitrators as to such amount made in accordance with the provisions of said Article XIV shall be final and conclusive upon the parties hereto;

such rent to be paid quarterly and to begin as follows: the rent payable under the foregoing Paragraphs (1) and (4) and under the foregoing Paragraphs (3) and (5) with respect to each portion of the transmission system heretofore erected and each connecting line heretofore installed and presently being operated to which the foregoing Paragraphs (3) and (5), respectively, are applicable, shall begin as of the respective dates to which such rent shall have been paid under the provisions of Section (b) of Article III of said Transmission

Line Agreement dated August 31, 1956; and the rent payable under the foregoing Paragraphs (2), (3), (5) and (6) shall begin with respect to each portion of the transmission system hereafter erected and with respect to each connecting line hereafter installed to which the foregoing Paragraph (5) is applicable and with respect to each structure hereafter erected to which the foregoing Paragraph (6) is applicable, respectively, as soon as Power Company shall commence to erect such portion or such connecting line or such structure, as the case may be, with appropriate adjustments in the respective rates per annum each time Power Company shall commence to erect an additional portion of the transmission system. Upon termination of this Agreement the rent shall be prorated to the date of termination.

(c) To reimburse Railroad Company for the expense to which it may be put (1) in connection with the installation of any portion of the transmission system, including but not limited to the necessary protection, grounding railroad circuits, flagging trains, supervision and inspection, and (2) in maintaining and repairing the transmission system and the additions to the present structures made necessary by the installation thereof and in such special testing and inspecting thereof as may be required, it being understood that Railroad Company shall make no charge for normal patrolling or inspecting the transmission system performed in connection with patrolling or inspecting their own power system.

(d) To reimburse Railroad Company for any expense to which it may be put in removing the transmission system from its structures at the termination of this Agreement.

(e) To reimburse Railroad Company for any expenses which it may incur or for any material it may supply in connection with the installation of any portion of the transmission system or with changes in the supporting structures or in the telephone, telegraph, signal, power or other facilities of Railroad Company which, in the opinion of Railroad Company, are necessary as a result of the occupancy of railroad property by the transmission system. It is understood that this

Section (e) does not apply to any such changes which are not directly made necessary by the installation or use of the transmission system or to the replacement of supporting structures or circuits made necessary by normal wear and tear or other causes not directly connected with the transmission system; nor does it apply (except as provided in Article X of this Agreement) to any such changes made necessary by the installation or use of any portion of the transmission system of which Power Company has not been notified by Railroad Company prior to the expiration of one year after such portion of the transmission system shall have been put in operation, unless made necessary by modification in the design, construction or operation of the system of Power Company or power systems connected therewith; nor does it apply (except to the extent provided in the following Section (f)) to any such changes in the signal system of Railroad Company between the stations referred to in Paragraph (1) of Section (a) of Article I made necessary as a result of the occupancy of railroad property by the transmission system, unless made necessary by modification in the design, construction or operation of the system of Power Company or power systems connected therewith.

(f) To reimburse Railroad Company in an amount not exceeding \$225,000 for fifty percent of the expenses up to \$450,000 which Railroad Company may incur in the initial installation of a system to eliminate Inductive Interference with the signal system of Railroad Company between the stations referred to in Paragraph (1) of Section (a) of Article I.

(g) To remove the transmission system to the satisfaction of Railroad Company at the termination of this Agreement except those parts of it which Railroad Company agrees may remain.

#### IV.

#### OBLIGATIONS OF RAILROAD COMPANY

Railroad Company agrees:

(a) To permit the work of installation of any portions

of the transmission system undertaken from time to time by Power Company to proceed as rapidly as conditions will permit and to patrol the transmission system during the period of installation.

(b) To patrol, inspect, test and repair the transmission system under rules to be mutually agreed upon, and to furnish all labor, materials, work trains and tools necessary therefor, using its best endeavors to maintain proper and uninterrupted service on said circuits at all times consistent with the operating requirements of the railroad, it being understood that any interruption of such service may seriously affect Power Company's ability to furnish electric current to its customers and that it is of the utmost importance to Power Company that any interruptions or outages be minimized so far as possible. Railroad Company may from time to time permit Power Company to do any part or all of the work required of Railroad Company by this Section (b) under terms and conditions mutually acceptable to the parties hereto, and may from time to time subcontract any part or all of such work to third parties acceptable to Power Company.

(c) To permit representatives of Power Company, while accompanied by a representative of Railroad Company, at mutually convenient times, once during the spring and once during the fall of each year, visually to inspect the insulators upon those portions of the transmission system carried upon structures which carry the power distribution system of Railroad Company; provided, however, that Railroad Company shall not be responsible for the wages or salary of Power Company's representatives; and provided further that Power Company agrees to indemnify and hold harmless Railroad Company from and against any and all claims, demands, suits, or judgments, on account of injury to or death of any representative of Power Company during or resulting from any of such inspections, whether or not such injury or death is caused wholly or in part by the negligence of Railroad Company, its said representative or its employees, agents or servants.



(d) To permit representatives of Power Company, but without expense to Railroad Company and subject to approval of Railroad Company as to time and method, to patrol, inspect, test and repair those portions of the transmission system not carried upon structures which carry the distribution system of Railroad Company, and any independent structures upon which such portions may be carried, and for the purpose of such patrolling, inspecting, testing and repairing, representatives of Power Company shall have the right to pass and repass over and upon property of Railroad Company; provided however, that Power Company agrees to indemnify and hold harmless Railroad Company from and against any and all claims, demands, suits or judgments, on account of injury to or death of any representative of Power Company during or resulting from such patrolling, inspecting, testing and repairing, whether or not such injury or death is caused wholly or in part by the negligence of Railroad Company or its employees, agents or servants.

(e) To keep in repair and in good condition during the continuance of this Agreement all structures of Railroad Company which shall support the transmission system, at no expense to Power Company, except the additions to the present structures made necessary by the installation of the transmission system and except such new structures as may be erected by Power Company and used solely for the support of the transmission system.

(f) To permit the removal of the transmission system, except said ground wires, from structures of Railroad Company and the removal of independent structures erected by Power Company if such removal takes place not later than three months after termination of this Agreement.

V.

APPROVAL

(a) The transmission system and the connections referred to in Article I, as presently existing, have been approved by Railroad Company. The design, specifications,

construction and installation of additional portions of the transmission system and of additional connections referred to in Article I, the supporting structures and modification of existing supporting structures hereafter used or made, all apparatus, including circuit breakers, switches, transformers and other facilities used or to be used in making additional connections referred to in Article I, all future changes in the transmission system, its supporting structures and connecting apparatus and the location of connections (except as otherwise provided in Section (c) of Article I) and of any independent supporting structures, shall be approved by Railroad Company in all respects prior to installation.

(b) Approval shall not be required with respect to any such apparatus installed, or any such changes in the transmission system made, on property other than property used in the operation of the railroad except such apparatus or changes as may affect fault currents or protection of the transmission system.

(c) All work shall be done without interference with railroad operations and by such methods and at such times as may be mutually agreed upon by the parties hereto. Before any work is undertaken by Power Company, it shall submit to and secure the approval of Railroad Company of the plan and method of doing the work to insure the safety of Railroad Company's structures and operations.

(d) Wherever in this Agreement reference is made to or provision is made for the approval by Railroad Company of the transmission system or any part thereof or any other approval by Railroad Company is required, it is understood and agreed that such approval shall not be unreasonably withheld, but it is agreed that the safety of train operation is paramount and that Railroad Company shall be the sole judge with reference thereto. When approval is given by Railroad Company or by a person designated from time to time by Railroad Company in writing to Power Company as its representative, such approval shall be final and conclusive upon Railroad Company.

(e) Railroad Company hereby confirms its approval with respect to the relocation of certain connecting lines and the installation and operation of other connecting lines and the relocation thereof, all as set forth in the sixth, seventh and eighth paragraphs of recitals in Amendment No. 2 to said Transmission Line Agreement dated August 31, 1956, said Amendment No. 2 being an agreement between Railroad Company and Power Company dated December 30, 1963 and recorded in the Eridgeport Land Records in Volume 1280 at page 515, a copy of said paragraphs being set forth in Exhibit B attached hereto and made a part hereof, it being understood and agreed that the Transmission Line Agreement referred to in said paragraphs is said Transmission Line Agreement dated August 31, 1956, that the easement area referred to in Section (c) of Article I of this Agreement is the easement area as relocated as proposed in the second paragraph in said Exhibit B, and that the words in the third paragraph of said Exhibit B "but subject to the Railroad Company's approval as provided in said Article V" shall hereafter refer to Railroad Company's approval as provided in Article V of this Agreement.

VI.

EXPENSES

(a) When referring to expenses incurred by Railroad Company, "expenses" shall mean all direct expenses, including amounts paid to subcontractors pursuant to Section (b) of Article IV, materials and labor costs, expenses for supervision and inspection to the extent hereinbefore provided, train protection, deenergizing and grounding of railroad circuits, field or office engineering work, use of trains, tools and other equipment and facilities, transportation of men and equipment, and the overheads covering expenses not directly allowable i.e., Railroad Retirement and Unemployment Taxes, Vacation Allowance, Holiday Allowance, Health & Welfare Allowance, 10% Supervision of Labor, including vacation and holidays, and 15% of materials to cover handling.

(b) Railroad Company shall render a statement of the expenses incurred by it for each month in which such expenses

are incurred, which shall be payable not later than fifteen (15) days after receipt of such statement by Power Company, and for the said expenses Railroad Company shall have a lien upon the transmission system.

(c) Railroad Company agrees to consult with Power Company before incurring any substantial expense which may be chargeable to Power Company, and before making any substantial changes under the provisions of this Agreement which will necessitate changes in the transmission system at the expense of Power Company.

## VII.

### TERM

(a) The term of this Agreement (unless sooner terminated as hereinafter provided) shall be from January 13, 1966 (hereinafter sometimes referred to as the "effective date of this Agreement") to May 4, 1980, but it is mutually agreed that Power Company shall have the right and option to extend this Agreement for an additional term of twenty (20) years provided Power Company shall give Railroad Company written notice of its election to exercise said option of extension on or before May 4, 1978, said extension to be upon the same terms and conditions except the option to extend and except that the rental payable by Power Company during the extended term shall not be less than the rental payable by Power Company during the original term and shall be determined by the parties hereto by mutual agreement, or if they fail to agree upon such rental on or before May 4, 1979, the rental payable during the extended term shall be referred to arbitration in accordance with the provisions of Article XIV, and the decision of the arbitrators with respect to such rental made in accordance with the provisions of said Article XIV shall be final and conclusive upon the parties hereto, provided, however, that it shall be the duty of the arbitrators to render their decision with respect to such rental on or before February 4, 1980, and that if a majority of the arbitrators shall fail to reach and render a decision on or

before said date, in that event the decision of the third arbitrator with respect to such rental shall be final and conclusive upon the parties. If said option to extend shall not have been exercised by Power Company and if this Agreement has not been already terminated as hereinafter provided and if it is not terminated on May 4, 1980 by either party giving the other at least one (1) year's written notice of intention to terminate this Agreement, in that event this Agreement shall continue after May 4, 1980 from year to year until the expiration of one (1) year after written notice shall have been given at any time by either party to the other of its intention to terminate this Agreement.

(b) Power Company shall have the right to terminate this Agreement during the extended term only, if the option to extend shall have been exercised, at any time on at least three (3) years' prior written notice to Railroad Company.

(c) Power Company shall have the right, exercisable during the original term and during the extended term, if the option to extend shall have been exercised, at any time and from time to time on at least three (3) years' prior written notice to Railroad Company, to abandon any portion or all of the rights leased and granted to Power Company in and by paragraphs (2), (3), (4) and (5) of Section (a) of Article I insofar as such rights relate to either (1) any portion or portions or all of Railroad Company's structures or (2) any portion or portions or all of Railroad Company's land used in the operation of its railroad, or both, as such structures and land are described in said paragraphs (2), (3), (4) and (5) of Section (a) of Article I. In the event of any such partial abandonment by Power Company under the provisions of this Section (c), the rent payable thereafter under the provisions of this Agreement shall be revised to an amount to be agreed upon by the parties hereto, taking into consideration the rights so abandoned by Power Company. If the parties shall not agree as to the amount of rent payable by Power Company under the provisions of this Section (c), such matter shall be referred to arbitration in accordance

with the provisions of Article XIV, and the decision of the arbitrators made in accordance with the provisions of said Article XIV shall be final and conclusive upon the parties hereto with respect to the matter so submitted to such arbitrators for decision. To the extent that such partial abandonment by Power Company involves an abandonment of its right to use for its transmission system any portion or portions of the structures or land, or both, of Railroad Company, Power Company shall thereupon remove from such structures or land, or both, as the case may be, to the satisfaction of Railroad Company the portion of the transmission system on such portion or portions of such structures or land, except those parts of the transmission system which Railroad Company agrees may remain, and Power Company shall reimburse Railroad Company for any expenses to which Railroad Company may be put in removing the transmission system from such structures and from such portion or portions of such land. The provisions of this Section (c) shall not be applicable with respect to any abandonment by Power Company under the provisions of paragraph (4) of Section (b) of Article III.

VIII.

TITLE

Title to the transmission system and to the connections referred to in Article I shall be and remain in Power Company. Title to additions to existing catenary structures of Railroad Company and to new independent structures erected by Power Company on the right of way or property of Railroad Company shall be and remain in Railroad Company. Power Company shall indemnify and hold harmless Railroad Company on account of any and all taxes and assessments, whether Federal, State, County, Municipal or otherwise (but not including income taxes), validly assessed, levied or imposed on the transmission system, or on such additions to structures or on such new structures; provided, however, that this provision shall not include any such taxes or assessments, the amounts of which may be deducted by Railroad Company from the amount of any other tax or taxes (whether based on income, gross

earnings or otherwise), payable by Railroad Company; and provided further, that Power Company at its own expense and in its own name or in the name of Railroad Company, in its discretion, may contest or apply for the reduction of, and may conduct any necessary or proper legal proceedings seeking reduction or extinguishment of any such taxes or assessments, and pending the final determination of any such contest, application or legal proceedings, may refrain, and Railroad Company at the request of Power Company (provided such taxes or assessments are separable from other taxes or assessments payable by Railroad Company) will refrain, from paying any such taxes or assessments.

IX.

WAIVER AND INDEMNITY

It is understood between the parties hereto that the operation of the railroad by Railroad Company in close proximity to the transmission system involves some risk and Power Company hereby releases and waives any right to ask for, demand or receive damages for or on account of loss of or injury to the transmission system, including the loss of or interference with service, and whether attributable to the fault, or negligence of Railroad Company or its representatives, or otherwise.

Power Company agrees to indemnify, protect and save harmless Railroad Company from and against all cost or expense resulting from any and all loss or damage to the property of Railroad Company and from any and all loss of life or property, or injury or damage to the person or property of any third person, firm or corporation (including the officers, agents and employees of either party hereto), and from any and all claims, demands or actions for such loss, injury or damage proximately caused by the presence or use or the construction, maintenance, removal, change or relocation and subsequent removal of the transmission system and appurtenances thereto, when not attributable to the negligence of Railroad Company or its agents or employees. The foregoing provisions of this paragraph, however, shall not apply to or include any collision, derailment or other accident to or

involving any train or trains on Railroad Company's railroad (or injury or damage growing out of the same), caused or claimed to have been caused by a failure of, or fault in, any equipment, facilities or apparatus of Railroad Company in turn caused, or claimed to have been caused, by the transmission system.

X.

FUTURE CHANGES

(a) Power Company agrees to make, or cause to be made, such changes in its transmission system, in the additions to the existing catenary supporting structures, and in the independent structures erected by Power Company, as may be required from time to time to conform to additions to or changes in line or grade of the railroad or any physical changes required by public authorities with which the location of the transmission system may interfere, under the supervision and direction and to the satisfaction of Railroad Company, and Power Company shall assume the cost of that part of the new structures necessitated by the changes, which would not have been required if the transmission system were not present, subject to the qualification, however, that Power Company shall not be liable for any cost or expense of such changes resulting from the desire or need of Railroad Company to place or permit others to place additional wires on its catenary structures or in any other way to alter or increase its use of existing catenary structures, even though the same might have been more easily and economically accomplished were it not for the existence of Power Company's transmission system.

(b) Power Company also agrees to make, or cause to be made, such changes in its transmission system, in the additions to the existing catenary supporting structures, and in the independent structures erected by Power Company, as may be required from time to time to conform to changes in railroad facilities, other than those mentioned in Section (a) of this Article; provided such changes have the approval of Power Company (which approval shall not be unreasonably withheld) and provided further that such changes shall be made without expense to Power



Company.

(c) It is further understood and agreed that Power Company, with the approval of Railroad Company, may from time to time make such changes in the transmission system as it may deem necessary or advisable in view of changes or improvements in the methods or technique of transmitting electrical current or to keep abreast of changes in the art.

(d) If Railroad Company should hereafter propose to abandon permanently the use of its catenary structures in the areas described in paragraphs (1), (2) and (3) of Section (a) of Article I for the purpose of supporting any wires other than the transmission system, it shall give Power Company at least two (2) years prior written notice of such proposed abandonment, which written notice shall state the date of such proposed abandonment.

In the event of such abandonment, from and after the date stated in such written notice or from and after May 4, 1980, whichever date shall be later, if this Agreement shall then be in effect, Power Company shall cease any longer to have the right to use for the support of Power Company's transmission system the catenary structures of Railroad Company theretofore used by Railroad Company in the operation of its railroad; provided, however, that if and so long as the continued use of such catenary structures by Power Company shall not interfere with the operations of the railroad or the use by Railroad Company of said catenary structures and such catenary structures remain in place, Power Company may continue to use such catenary structures upon the assumption by it or as otherwise agreed to of all of the duties theretofore imposed on Railroad Company with respect to repairing and keeping in good condition such catenary structures.

In the event of such abandonment (whether before or after May 4, 1980), if this Agreement shall then be in effect, all of the rights, powers and privileges granted to Power Company under the provisions of this Agreement (including, but without limitation, the right to erect new supporting structures for the transmission system and the right to place the transmission system underground) shall continue in full force and effect,

and thereupon:

(1) Rent payable under the provisions of this Agreement shall be revised to an amount to be agreed upon by the parties hereto and to be based upon the changed use of the property of Railroad Company by Power Company or upon the changed obligations and duties of the respective parties hereunder, or both, as the case may be;

(2) Railroad Company shall be released from its obligations under the provisions of Sections (b), (c), (d) and (e) of Article IV and said provisions shall be of no further force or effect;

(3) Power Company shall have the right, but without expense to Railroad Company, and subject to the approval of Railroad Company as to time and method, to patrol, inspect, test and repair the transmission system, the structures, if any, which it may have erected or may erect to support such system and Railroad Company's catenary structures, if at that time Power Company has the right to continue to use such structures, and for the purpose of such patrolling, inspecting, testing and repairing, representatives of Power Company shall have the right to pass and re-pass over and upon property of Railroad Company;

(4) Power Company, without expense to Railroad Company, will remove the transmission system (except those parts thereof which Railroad Company agrees need not be removed) from the catenary structures of Railroad Company when and if Power Company, under the provisions of this Section (d) shall cease to have the right to use such catenary structures;

(5) Such other provisions of this Agreement, including, but not limited to, Article IX, as may be inconsistent with the provisions of this Section (d) shall be modified and revised in so far as may be necessary in such manner as may be agreed upon by the

parties hereto;

(6) If the parties shall not agree as to the amount of rent payable by Power Company under the provisions of the foregoing Paragraph (1) or as to any other matter arising under the provisions of this Section (d), such matter shall be referred to arbitration in accordance with the provisions of Article XIV, and the decision of the arbitrators made in accordance with the provisions of said Article XIV shall be final and conclusive upon the parties hereto with respect to the matter or matters so submitted to such arbitrators for decision.

XI.

INDUCTIVE INTERFERENCE AND HAZARD TO  
RAILROAD FACILITIES

Power Company agrees that the telephone, telegraph, signal, power or other facilities of Railroad Company shall be protected against inductive interference or physical hazard and damage, or both, brought about by the presence or use, or both, of the transmission system, and further agrees, after consultation between Railroad Company and Power Company, such changes shall be made, at the expense of Power Company, in the transmission system including additional transposition, or in said facilities as may be necessary to eliminate any such inductive effects or physical hazard and damage or both to said facilities, provided, however, that, with respect to that portion of the signal system of Railroad Company between the stations referred to in Paragraph (1) of Section (a) of Article I, Power Company's liability hereunder shall be limited to its agreement as set forth in Section (f) of Article III, except as otherwise provided in Section (e) of Article III.

XII.

COOPERATION

Power Company is at present employing Gibbs & Hill, Inc., of New York City with reference to the construction of

certain additional portions of the transmission system, and Railroad Company agrees that its engineers will cooperate with Gibbs & Hill, Inc. in working out all matters in connection with the construction, installation and operation of such additional portions of the transmission system and will cooperate with said corporation or with such other engineers and constructors as Power Company may from time to time hereafter employ in connection with the construction of further portions of the transmission system and additional connections referred to in Article I so as to secure the best and most satisfactory results for both parties hereto.

XIII.

ASSIGNMENT

Power Company shall not assign this Agreement without the written consent of Railroad Company, provided that this shall not be construed to prevent Power Company from making a general mortgage in the usual form of any or all of its property, rights, privileges and franchises, including this Agreement, or from entering into any merger or consolidation, or from selling all or substantially all of its assets to another power company, and in case of foreclosure of such mortgage or of any such merger, consolidation or sale, the rights and obligations of Power Company hereunder shall pass to and be acquired and assumed by the foreclosing mortgagee, or the merging, consolidated or purchasing company as the case may be.

Railroad Company and its successors in interest shall have the right to assign this Agreement, subject to all of the obligations, duties, agreements and approvals of Railroad Company hereunder.

XIV.

ARBITRATION

In case of any disagreement concerning the true intent and meaning or the application of any of the provisions of this Agreement, upon request of either party the subject of the difference shall be referred to three arbitrators, one to be

chosen by each party and the third by the two others so chosen. In the event that the two arbitrators so chosen shall not agree within thirty (30) days after their appointment upon a third arbitrator, such third arbitrator shall be appointed, upon application of either party and after written notice to the other, by the Chief Judge of the District Court of the United States for the District within which the City of New Haven, Connecticut, is then located. If said Chief Judge shall decline or fail to appoint such third arbitrator within sixty (60) days after application has been made to him as aforesaid, in that event such third arbitrator shall be appointed, upon application of either party and after written notice to the other, by the Superior Court for New Haven County. The decision of such arbitrators, or a majority of them, however so chosen, shall be final and conclusive upon the parties with respect to the point or points submitted to such arbitrators for decision, provided, however, that if a majority of the arbitrators shall fail to reach a decision within ninety (90) days, except as otherwise provided in Article VII, after the acceptance by the third arbitrator of his appointment as such, in that event the decision of said third arbitrator shall be final and conclusive. The arbitrator or arbitrators shall direct at what time, place, and in what manner the hearing of the question to be submitted shall be had. The demand for arbitration shall be in writing, stating the question or questions which it is desired to submit. In case either party shall thereupon select an arbitrator and notifies the other in writing of such selection, and the other shall not within sixty (60) days after receipt of such notice select an arbitrator, then such arbitrator so selected may select another arbitrator to act with him and the decision of the two shall be binding upon the parties. Nothing herein contained shall be construed to prevent the parties from agreeing upon one arbitrator in lieu of the three arbitrators provided for hereinabove. The parties will each pay the fees and expenses of its own arbitrators, counsel, and witnesses, and the fees and expenses of the third arbitrator, or of the arbitrator when only

one is employed, shall be borne equally by the parties.

XV.

TERMINATION OF OTHER AGREEMENTS  
AND RELATED PROVISIONS

The following agreements and portions of agreements are hereby terminated as of the effective date of this Agreement:

(1) Said Transmission Line Agreement dated August 31, 1956 between The New York, New Haven and Hartford Railroad Company and Power Company and recorded in the Bridgeport Land Records in Volume 1123 at page 175, in the Fairfield Land Records in Volume 351 at page 204, in the Hamden Land Records in Volume 378 at page 428, in the Milford Land Records in Volume 423 at page 591, in the New Haven Land Records in Volume 1909 at page 1, in the North Haven Land Records in Volume 152 at page 68, in the Orange Land Records in Volume 172 at page 416, in the Stratford Land Records in Volume 322 at page 9 and in the West Haven Land Records in Volume 383 at page 447.

(2) Amendment No. 1 dated June 28, 1957 to said Transmission Line Agreement dated August 31, 1956.

(3) Amendment No. 2 dated December 30, 1963 to said Transmission Line Agreement dated August 31, 1956, except Article Third thereof wherein Power Company released to Railroad Company such rights as Power Company might have in a certain parcel of land therein referred to as "AREA TO BE RELEASED".

XVI.

SUCCESSORS

This Agreement shall inure to and be binding upon the parties hereto and their successors.

IN WITNESS WHEREOF, Richard Joyce Smith, William J. Kirk and Harry W. Dorigan, Trustees of the property of The New York, New Haven and Hartford Railroad Company, and The United Illuminating Company, acting herein by Angus N. Gordon, Jr., its President hereunto duly authorized, have hereunto executed this Agreement in a number of counterparts, each of which shall be, and shall be taken to be, an original and all collectively but

one instrument, the day and year first above written.

Richard Joyce Smith  
RICHARD JOYCE SMITH (L.S.)

William J. Kirk  
WILLIAM J. KIRK (L.S.)

Harry W. Dorigan  
HARRY W. DORIGAN (L.S.)

WITNESSES:

Trustees of the property of The New York, New Haven and Hartford Railroad Company.

C. R. Smith

S. N. Gebella

As to Trustees

THE UNITED ILLUMINATING COMPANY,

By Angus N. Gordon, Jr.

ANGUS N. GORDON, JR.  
President.

ATTEST:

Helen P. Adams  
Secretary.

WITNESSES:

Jeanette K. Klapp

Elsie M. Shanley

as to ANGJr.

STATE OF CONNECTICUT )  
COUNTY OF NEW HAVEN )

ss. New Haven, January 13, 1966.

Personally appeared Richard Joyce Smith, William J. Kirk and Harry W. Dorigan, Trustees of the property of The New York, New Haven and Hartford Railroad Company, signers and sealers of the within and foregoing instrument; and acknowledged the same to be their free act and deed as Trustees of the property of The New York, New Haven and Hartford Railroad Company, before me,

Marilyn Balsis  
MARILYN BALSIS  
Notary Public

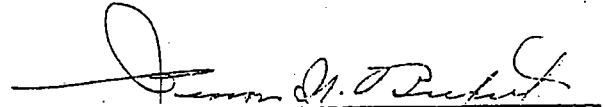
My Commission Expires  
April 1, 1969

(Notarial Seal)

STATE OF CONNECTICUT )  
COUNTY OF NEW HAVEN ) ss.: New Haven

*Jan. 15. 1966*

Personally appeared Angus M. Gordon, Jr., President of  
The United Illuminating Company, signer and sealer of the within  
and foregoing instrument, and acknowledged the same to be the  
free act and deed of said The United Illuminating Company and  
his free act and deed as its President, before me,

  
\_\_\_\_\_  
Notary Public.

My Commission Expires

*Apr. 1. 1969*

(Notarial Seal)



EXHIBIT A

Attached to and made a part of Transmission Line Agreement dated January 13, 1966, between Richard Joyce Smith, William J. Kirk and Harry W. Dorigan, Trustees of the property of The New York, New Haven and Hartford Railroad Company and The United Illuminating Company

Parcel of land situated in the Town and City of Bridgeport, County of Fairfield and State of Connecticut, bounded and described as follows:

Beginning at a point formed by the intersection of the easterly line of Water Street and a line drawn parallel to and 20 feet distant perpendicularly south from the center line of the Railroad Company's catenary structure B 767;

Thence easterly along said line drawn parallel to and 20 feet distant perpendicularly south from the center line of the Railroad Company's catenary structure B 767, 86 feet more or less to a point where said line drawn parallel to and 20 feet distant perpendicularly south from the center line of the Railroad Company's catenary structure B 767 intersects a broken line (hereinafter called "said broken line") drawn parallel to and 25 feet distant perpendicularly southeast from another broken line connecting, seriatim, the centers of the southeasterly foundations of the Railroad Company's catenary structures B 766 and B 767 and of a steel H column (B 768A) tower erected southeasterly of the Railroad Company's catenary structure B 768;

Thence northeasterly along said broken line, 168 feet more or less to a point where said broken line intersects another line running north  $70^{\circ} 08' 27''$  east from a point located 25 feet south  $19^{\circ} 51' 33''$  east of the center of said steel H column (B 768A) tower;

Thence north  $70^{\circ} 08' 27''$  east, 111 feet more or less to a point in the division line between land of the Railroad Company and land of the Power Company;

Thence north  $19^{\circ} 51' 33''$  west along said division line, 15 feet more or less to an angle point in said division line;

Thence north  $15^{\circ} 19' 14''$  east along said division line, 283 feet to a point in said division line;

Thence northwesterly along a line drawn 25 feet distant perpendicularly northeast from the center of the easterly foundation of the Railroad Company's catenary structure B 771, 256 feet more or less to a point where said line intersects a line drawn parallel to and 20 feet distant perpendicularly north from the center line of the Railroad Company's catenary structure B 771;

Thence westerly along said line drawn parallel to and 20 feet distant perpendicularly north from the center line of the Railroad Company's catenary structure B 771, 77 feet more or less to a point where said line drawn parallel to and 20 feet distant perpendicularly north from the center line of the Railroad Company's catenary structure B 771 intersects the easterly line of Water Street;

Thence southerly along the easterly line of Water Street, said easterly line of Water Street being the westerly right of way line of land of the Railroad Company, 613 feet more or less to the point or place of beginning.

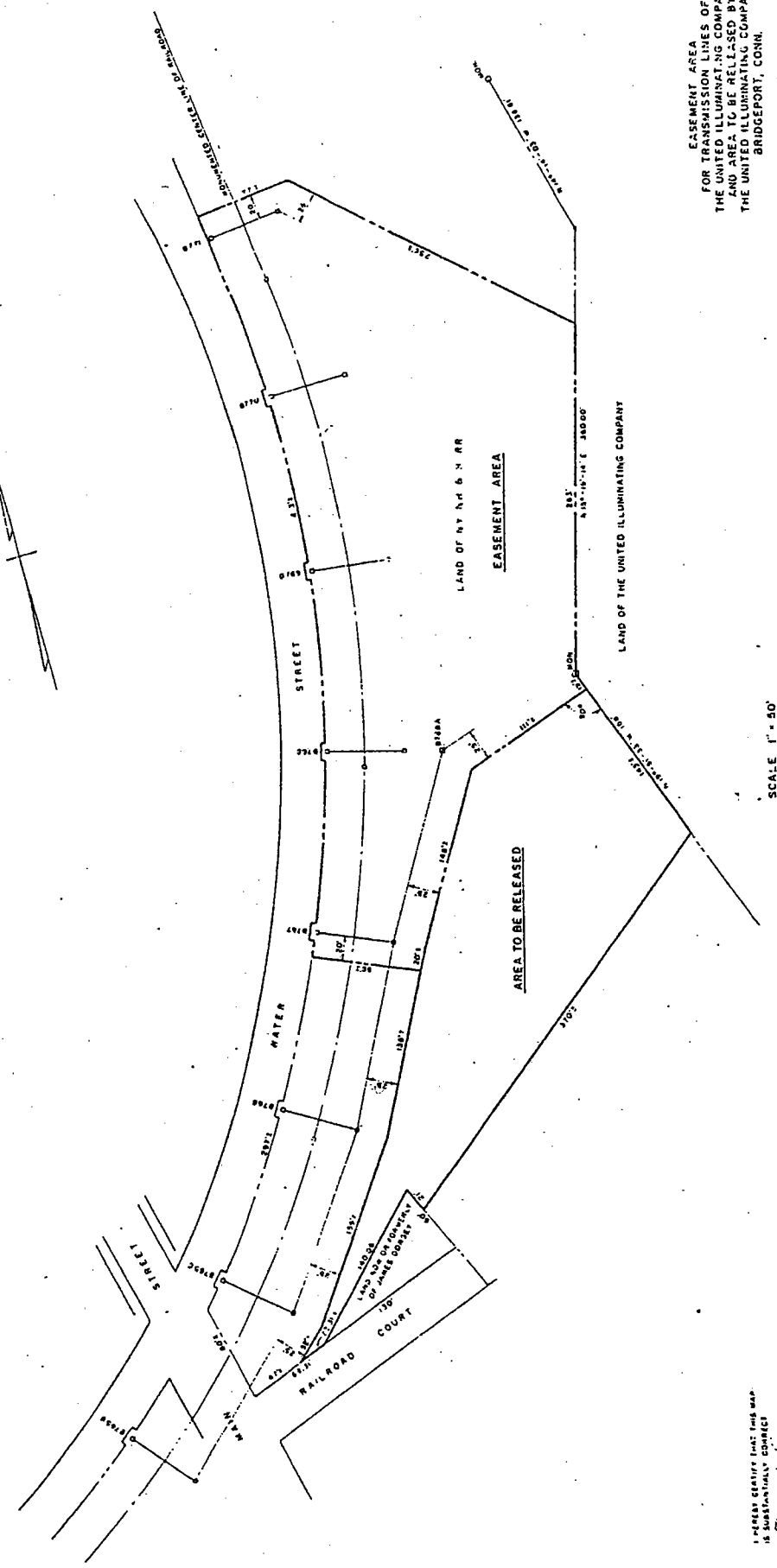
EXHIBIT B

Attached to and made a part of Agreement dated  
January 13, 1966 between Richard Joyce Smith,  
William J. Kirk and Harry W. Dorigan, Trustees  
of the property of The New York, New Haven and  
Hartford Railroad Company and The United  
Illuminating Company

WHEREAS the easement area, as initially described in the Transmission Line Agreement, was so located as to permit the Power Company to install four sets of connecting lines from its transmission system to its Pequonnock Substation on its Bridgeport Harbor Station property, it then being contemplated that such four sets of connecting lines would probably be connected to said transmission system at the Railroad Company's catenary structures Nos. B769, B768, B766 and B765C, respectively; and

WHEREAS the proposed relocation of the easement area will accommodate four sets of connecting lines from the Power Company's transmission system to its Pequonnock Substation and is, therefore, satisfactory to the Power Company, provided the Trustees approve a northerly shift of the easterly termini of the two sets of connecting lines heretofore installed and now connected to said transmission system at the Railroad Company's catenary structures Nos. B770 and B769, respectively, and, provided further, the Trustees approve the installation and location of the remaining two of such four sets of connecting lines in such a way as to connect one to said transmission system at the Railroad Company's catenary structure No. B771 and to connect the other to said transmission system at the Railroad Company's catenary structure No. B767 or No. B768, as the Power Company may determine; and

WHEREAS the Trustees have approved and do hereby approve, pursuant to the provisions of Article V of said Transmission Line Agreement, such relocation of the two sets of connecting lines heretofore installed and the installation and operation of the remaining two of such four sets of connecting lines and the relocation of same in such a way as to connect one to said transmission system at the Railroad Company's catenary structure No. B771 and to connect the other to said transmission system at the Railroad Company's catenary structure No. B767, or No. B768, as the Power Company may determine, but subject to the Railroad Company's approval as provided in said Article V of the design, specifications and construction of (i) such connecting lines, (ii) the supporting structures and modification of existing supporting structures hereafter used or made therefor, and (iii) the related apparatus, including circuit breakers, switches, transformers and other facilities, hereafter required in connection with the relocation or installation of such connecting lines;



EASEMENT AREA  
 FOR TRANSMISSION LINES OF  
 THE UNITED ILLUMINATING COMPANY  
 AND THE AREA TO BE RELEASED BY  
 THE UNITED ILLUMINATING COMPANY  
 THE UNITED ILLUMINATING COMPANY  
 BRIDGEPORT, CONN.

I HEREBY CERTIFY THAT THIS MAP  
 IS SUBSTANTIALLY CORRECT  
*Edward J. Conroy*  
 REGISTERED SURVEYOR  
 THE UNITED ILLUMINATING COMPANY

SCALE 1" = 50'

043 AD 4.0 " 4-1-43