



Exhibit 9

Reports
of
Harvey S. Rosen, Ph.D.
Previously Produced

Copy of Correspondence
Included Here For Your Reference

October 23, 2007

Steven H. Steinglass
Attorney at Law
2374 Tudor Drive
Cleveland Heights, OH 44106

Dennis R. Lansdowne
1900 East 9th Street Suite 2400
Cleveland, OH 44114

Mr. Joseph P. Tomain
College of Law
University of Cincinnati
Corner of Clifton and Calhoun Streets
P.O. Box 210040
Cincinnati, OH 45221-0040

Re: Watjen v. Penn Central, Case No. 69-675
Knapik v. Penn Central, Case No. 69-722
Bundy v. Penn Central, Case No. 69-947
Sophner v. Penn Central, Case No. 74-914

Dear Messers. Steinglass, Lansdowne and Tomain:

Per the request of Arbitrator Steinglass, enclosed please find:

1. Thirty-two individual reports prepared by Plaintiffs' expert witness Harvey Rosen detailing damages for each Plaintiff.
2. Copy of Railroad Retirement Board data for each individual Plaintiff.
3. Chart containing the name of each claimant, name of personal representatives for deceased Plaintiffs and damages sought by each individual Plaintiff.

Very truly yours,

Carla M. Tricarichi

CMT/jg
Enclosures
cc: Mr. Jason Groppe

Preliminary Report

concerning the

Displacement Allowance

of

Peter Sowinski

Prepared for

Carla Tricarichi
Attorney at Law

Prepared by:

Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
Economists

July 30, 2007

Personal Data Sheet

Name:	Peter Sowinski	
Date of Birth:	6/29/1912	
Date of Separation	6/30/1975	(50.41% of 1975 Remains)
Age on:	6/30/1975	63.0 Years
Work Life Expectancy from:	6/30/1975	4.7 Years (19.45% of 1980)*
Age at Expiration of Work Life Expectancy:		67.7 Years Old
Life Expectancy from:	6/30/1975	18.3 Years (79.45% of 1993)**
Age at Expiration of Life Expectancy:		81.3 Years Old
Age on: 9/1/2007		95.2 Years
Work Life Expectancy from:	9/1/2007	0.0 Years (66.85% of 2007)*
Age at Expiration of Work Life Expectancy:		95.2 Years Old
Life Expectancy from:	9/1/2007	3.0 Years (66.85% of 2010)**
Age at Expiration of Life Expectancy:		98.2 Years Old
Occupation:	Car Inspector	
Date of Hire:	1941	

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{MW} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Displacement Allowance, Benefits, & Back Interest	
A. Displacement Allowance (Interest Based on 10 Year Treasuries)	\$ 8,227
Pension Benefits	\$ 873
Back Interest through 1/1/2007	<u>\$ 119,052</u>
Total	\$ 128,151
B. Displacement Allowance (Interest Based on Bank Prime Loan Rates)	\$ 8,227
Pension Benefits	\$ 873
Back Interest through 1/1/2007	<u>\$ 183,428</u>
Total	\$ 192,528

Table 1: Schedule Showing the Earnings for the Years 1966-1975, and the Displacement Allowance for Peter Sowinski.

Year	Earnings (a)	Months Employed (a)	Weighted Wage Rate (b)	Forecasted Wages (c)	Displacement Allowance (d)
1966	\$ 6,411.70	12	\$ 2.97	\$ 6,170.94	-
1967	\$ 6,346.42	12	\$ 3.19	\$ 6,645.47	-
1968	\$ 7,676.05	12	\$ 3.38	\$ 7,026.16	-
1969	\$ 7,800.00	12	\$ 3.73	\$ 7,766.32	-
1970	\$ 7,800.00	12	\$ 4.17	\$ 8,663.46	-
1971	\$ 6,180.60	12	\$ 4.49	\$ 9,339.94	\$ 3,159.34
1972	\$ 7,458.69	10	\$ 4.94	\$ 10,281.75	\$ 2,823.06
1973	\$ 9,305.47	11	\$ 5.38	\$ 11,186.98	\$ 1,881.51
1974	\$ 11,859.15	12	\$ 5.66	\$ 11,772.80	-
1975	\$ 6,146.67	6	\$ 6.31	\$ 13,120.92	-
1975 Annualized Wage for Displacement Allowance (e)	\$ 12,394.98			\$ 13,120.92	1975 Displacement Allowance (f) \$ 362.97

* Boxed earnings in the earnings column indicate that Mr. Sowinski earned at or more than the maximum taxable earnings. Given this information, a loss cannot be determined for those years.

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) The weighted wage rates are from Tables 6 through 9.

(c) The forecasted wages are calculated as the weighted wage rates multiplied by 2,080 hours per year.

(d) The displacement allowance for each year is calculated as the forecasted wages minus the earnings from column (a).

(e) The 1975 annualized wage is calculated as \$6,146.67 divided by (1 - 50.41%). 50.41% is the amount of the year remaining after the date of separation.

(f) The 1975 displacement allowance is partialled out to represent Mr. Sowinski working for 6 months in 1975.

Table 2: Schedule Showing the Present Value of the Displacement Allowance for Peter Sowinski for the Years 1971 through 1975.

<u>Year</u>	<u>Present Value Displacement Allowance (a)</u>	<u>Pension Benefits (b)</u>	<u>Total Displacement Allowance Loss</u>
1971	\$ 3,159	\$ 314	\$ 3,474
1972	\$ 2,823	\$ 281	\$ 3,104
1973	\$ 1,882	\$ 222	\$ 2,103
1974	-	-	-
1975	\$ 363	\$ 56	\$ 419
	\$ 8,227	\$ 873	\$ 9,100

(a) The base Displacement Allowance as calculated on Table 1.

(b) Pension benefits calculated as the employer's contribution to the Tier 1 & Tier 2 retirement plans. The percentages are per the "Tax Rates and Maximum Taxable Earnings Under Social Security, Railroad Retirement and Railroad Unemployment Insurance Programs" sheet. See Table 5.

Table 3: Schedule Showing the Present Value of the Back Interest on the Displacement Allowance for Peter Sowinski, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Total (a)	Back Interest (b)	Interest Rates (c)	Year End Balance	Total Present Value of Back Interest
1971	\$ 3,474	\$ 219	6.30%	\$ 3,693	\$ 219
1972	\$ 3,104	\$ 432	6.36%	\$ 7,229	\$ 432
1973	\$ 2,103	\$ 656	7.03%	\$ 9,988	\$ 656
1974	\$ -	\$ 777	7.78%	\$ 10,765	\$ 777
1975	\$ 419	\$ 921	8.23%	\$ 12,104	\$ 921
1976		\$ 948	7.83%	\$ 13,052	\$ 948
1977		\$ 996	7.63%	\$ 14,047	\$ 996
1978		\$ 1,219	8.68%	\$ 15,266	\$ 1,219
1979		\$ 1,491	9.77%	\$ 16,758	\$ 1,491
1980		\$ 1,999	11.93%	\$ 18,757	\$ 1,999
1981		\$ 2,750	14.66%	\$ 21,507	\$ 2,750
1982		\$ 2,938	13.66%	\$ 24,445	\$ 2,938
1983		\$ 2,828	11.57%	\$ 27,273	\$ 2,828
1984		\$ 3,560	13.05%	\$ 30,834	\$ 3,560
1985		\$ 3,407	11.05%	\$ 34,241	\$ 3,407
1986		\$ 2,703	7.89%	\$ 36,944	\$ 2,703
1987		\$ 3,198	8.66%	\$ 40,142	\$ 3,198
1988		\$ 3,672	9.15%	\$ 43,815	\$ 3,672
1989		\$ 3,840	8.76%	\$ 47,655	\$ 3,840
1990		\$ 4,207	8.83%	\$ 51,862	\$ 4,207
1991		\$ 4,198	8.09%	\$ 56,060	\$ 4,198
1992		\$ 4,034	7.20%	\$ 60,094	\$ 4,034
1993		\$ 3,606	6.00%	\$ 63,700	\$ 3,606
1994		\$ 4,638	7.28%	\$ 68,338	\$ 4,638
1995		\$ 4,602	6.73%	\$ 72,939	\$ 4,602
1996		\$ 4,812	6.60%	\$ 77,751	\$ 4,812
1997		\$ 5,056	6.50%	\$ 82,807	\$ 5,056
1998		\$ 4,442	5.36%	\$ 87,250	\$ 4,442
1999		\$ 5,035	5.77%	\$ 92,285	\$ 5,035
2000		\$ 5,692	6.17%	\$ 97,976	\$ 5,692
2001		\$ 5,012	5.12%	\$ 102,988	\$ 5,012
2002		\$ 4,830	4.69%	\$ 107,819	\$ 4,830
2003		\$ 4,389	4.07%	\$ 112,208	\$ 4,389
2004		\$ 4,869	4.34%	\$ 117,076	\$ 4,869
2005		\$ 5,104	4.36%	\$ 122,180	\$ 5,104
2006 (d)		\$ 5,971	4.89%	\$ 128,151	\$ 5,971
					\$ 119,052

(a) The Total, which includes the Displacement Allowance & Pension as calculated on Table 2.

(b) Back Interest calculated as compound interest based on interest rates from column (c).

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) Calculated through 2006.

Table 4: Schedule Showing the Present Value of the Back Interest on the Displacement Allowance for Peter Sowinski, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Total (a)	Back Interest (b)	Interest Rates (c)	Year End Balance	Total Present Value of Back Interest
1971	\$ 3,474	\$ 203	5.85%	\$ 3,677	\$ 203
1972	\$ 3,104	\$ 363	5.35%	\$ 7,144	\$ 363
1973	\$ 2,103	\$ 763	8.25%	\$ 10,010	\$ 763
1974	\$ -	\$ 1,125	11.24%	\$ 11,135	\$ 1,125
1975	\$ 419	\$ 935	8.09%	\$ 12,489	\$ 935
1976		\$ 876	7.02%	\$ 13,365	\$ 876
1977		\$ 935	7.00%	\$ 14,301	\$ 935
1978		\$ 1,339	9.36%	\$ 15,640	\$ 1,339
1979		\$ 2,075	13.27%	\$ 17,715	\$ 2,075
1980		\$ 2,855	16.12%	\$ 20,571	\$ 2,855
1981		\$ 4,163	20.24%	\$ 24,733	\$ 4,163
1982		\$ 3,881	15.69%	\$ 28,615	\$ 3,881
1983		\$ 3,216	11.24%	\$ 31,830	\$ 3,216
1984		\$ 4,009	12.59%	\$ 35,839	\$ 4,009
1985		\$ 3,694	10.31%	\$ 39,534	\$ 3,694
1986		\$ 3,397	8.59%	\$ 42,931	\$ 3,397
1987		\$ 3,631	8.46%	\$ 46,562	\$ 3,631
1988		\$ 4,490	9.64%	\$ 51,052	\$ 4,490
1989		\$ 5,781	11.32%	\$ 56,833	\$ 5,781
1990		\$ 5,906	10.39%	\$ 62,739	\$ 5,906
1991		\$ 5,480	8.73%	\$ 68,219	\$ 5,480
1992		\$ 4,366	6.40%	\$ 72,584	\$ 4,366
1993		\$ 4,454	6.14%	\$ 77,038	\$ 4,454
1994		\$ 5,646	7.33%	\$ 82,684	\$ 5,646
1995		\$ 7,545	9.13%	\$ 90,229	\$ 7,545
1996		\$ 7,697	8.53%	\$ 97,927	\$ 7,697
1997		\$ 8,532	8.71%	\$ 106,459	\$ 8,532
1998		\$ 9,176	8.62%	\$ 115,635	\$ 9,176
1999		\$ 9,524	8.24%	\$ 125,159	\$ 9,524
2000		\$ 11,962	9.56%	\$ 137,121	\$ 11,962
2001		\$ 9,729	7.10%	\$ 146,850	\$ 9,729
2002		\$ 6,986	4.76%	\$ 153,836	\$ 6,986
2003		\$ 6,440	4.19%	\$ 160,277	\$ 6,440
2004		\$ 7,072	4.41%	\$ 167,348	\$ 7,072
2005		\$ 10,593	6.33%	\$ 177,941	\$ 10,593
2006	(d)	\$ 14,587	8.20%	\$ 192,528	\$ 14,587
					\$ 183,428

(a) The Total, which includes the Displacement Allowance & Pension as calculated on Table 2.

(b) Back Interest calculated as compound interest based on interest rates from column (c).

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) Calculated through 2006.

Table 5: Employer's Contribution for the Tier 1 and Tier 2 Railroad Retirement.

Year	Tier 1 Employer Contribution	Tier 2 Employer Contribution	Total
1966	7.95%	***	7.95%
1967	8.65%	***	8.65%
1968	8.90%	***	8.90%
1969	9.55%	***	9.55%
1970	9.55%	***	9.55%
1971	9.95%	***	9.95%
1972	9.95%	***	9.95%
1/1973 - 9/1973	10.60%	***	10.60%
0/1973 - 12/1973	5.85%	9.50%	15.35%
1974	5.85%	9.50%	15.35%
1975	5.85%	9.50%	15.35%
1976	5.85%	9.50%	15.35%
1977	5.85%	9.50%	15.35%
1978	6.05%	9.50%	15.55%
1979	6.13%	9.50%	15.63%
1980	6.13%	9.50%	15.63%
1/1981 - 9/1981	6.65%	9.50%	16.15%
0/1981 - 12/1981	6.65%	11.75%	18.40%
1982	6.70%	11.75%	18.45%
1983	6.70%	11.75%	18.45%
1984	7.00%	12.75%	19.75%
1985	7.05%	13.75%	20.80%
1/1986 - 6/1986	7.15%	14.75%	21.90%
7/1986 - 12/1986	7.15%	14.75%	21.90%
1987	7.15%	14.75%	21.90%
1988	7.51%	16.10%	23.61%
1989	7.51%	16.10%	23.61%
1990	7.65%	16.10%	23.75%
1991	7.65%	16.10%	23.75%
1992	7.65%	16.10%	23.75%
1993	7.65%	16.10%	23.75%
1994	7.65%	16.10%	23.75%
1995	7.65%	16.10%	23.75%
1996	7.65%	16.10%	23.75%
1997	7.65%	16.10%	23.75%
1998	7.65%	16.10%	23.75%
1999	7.65%	16.10%	23.75%
2000	7.65%	16.10%	23.75%
2001	7.65%	16.10%	23.75%
2002	7.65%	15.60%	23.25%
2003	7.65%	14.20%	21.85%
2004	7.65%	13.10%	20.75%
2005	7.65%	12.60%	20.25%
2006	7.65%	12.60%	20.25%
2007	7.65%	12.10%	19.75%

Source: "Tax rates and Maximum taxable Earnings Under Social Security, Railroad Retirement and Railroad Unemployment Insurance Programs" per the U.S. Railroad Retirement Board, Bureau of the Actuary, November 2006.

Table 6: Schedule Showing the Hourly Rates for Carmen from 5/1/1962 through 7/1/1997.

Effective Date	Carmen	Effective Date	Carmen
5/1/1962	\$ 2.70	10/1/1981	\$ 11.38
1/1/1964	\$ 2.79	1/1/1982	\$ 11.73
1/1/1965	\$ 2.88	7/1/1982	\$ 12.05
1/1/1966	\$ 2.97	7/1/1982	\$ 12.27
1/1/1967	\$ 3.14	1/1/1983	\$ 12.61
4/1/1967	\$ 3.19	7/1/1983	\$ 12.94
10/1/1967	\$ 3.24	1/1/1984	\$ 13.20
4/1/1968	\$ 3.29	12/1/1985	\$ 13.46
7/1/1968	\$ 3.46	12/1/1986	\$ 13.76
10/1/1968	\$ 3.51	12/1/1987	\$ 14.07
1/1/1969	\$ 3.55	7/1/1991	\$ 14.49
1/1/1969	\$ 3.62	7/1/1993	\$ 14.93
7/1/1969	\$ 3.73	7/1/1994	\$ 15.53
7/1/1969	\$ 3.78	11/30/1995	\$ 15.62
9/1/1969	\$ 3.88	12/1/1995	\$ 16.17
1/1/1970	\$ 4.07	7/1/1996	\$ 16.45
4/1/1970	\$ 4.11	7/1/1997	\$ 17.03
4/24/1970	\$ 4.18		
8/1/1970	\$ 4.22		
1/1/1971	\$ 4.32		
4/1/1971	\$ 4.47		
10/1/1971	\$ 4.70		
4/1/1972	\$ 4.94		
10/1/1972	\$ 5.19		
4/1/1973	\$ 5.44		
1/1/1974	\$ 5.66		
1/1/1975	\$ 6.23		
10/1/1975	\$ 6.54		
1/1/1976	\$ 6.66		
4/1/1976	\$ 6.86		
7/1/1976	\$ 6.98		
1/1/1977	\$ 7.11		
7/1/1977	\$ 7.29		
7/1/1977	\$ 7.57		
1/1/1978	\$ 7.79		
4/1/1978	\$ 8.02		
7/1/1978	\$ 8.21		
10/1/1978	\$ 8.37		
1/1/1979	\$ 8.62		
7/1/1979	\$ 8.96		
7/1/1979	\$ 9.21		
1/1/1980	\$ 9.49		
7/1/1980	\$ 9.96		
7/1/1980	\$ 10.23		
1/1/1981	\$ 10.55		
4/1/1981	\$ 10.75		
7/1/1981	\$ 11.07		

Source: Taken from the Brotherhood Railway Carmen Division Transportation-Communications International Union Wage Rate Progression Chart (Revised: January 24, 2003) sheet.

Table 7: Schedule Showing the Weighted Average Hourly Rates for the Years 1963 through 1997 for Carmen.

Calendar Year	Hourly Rate	Days Effective	Weighted Rate	Weighted Hourly Rate	Growth Rate
1963	\$ 2.70	365	\$ 984.33	\$ 2.70	
1964	\$ 2.79	365	\$ 1,017.18	\$ 2.79	3.34%
1965	\$ 2.88	365	\$ 1,050.03	\$ 2.88	3.23%
1966	\$ 2.97	365	\$ 1,082.88	\$ 2.97	3.13%
1967	\$ 3.14	90	\$ 283.03	\$ 3.19	7.69%
	\$ 3.19	184	\$ 587.84		
	\$ 3.24	91	\$ 295.28		
1968	\$ 3.24	90	\$ 292.03	\$ 3.38	5.73%
	\$ 3.29	91	\$ 299.83		
	\$ 3.46	93	\$ 321.73		
	\$ 3.51	91	\$ 319.36		
1969	\$ 3.62	181	\$ 655.22	\$ 3.73	10.53%
	\$ 3.78	63	\$ 238.14		
	\$ 3.88	121	\$ 469.48		
1970	\$ 4.07	90	\$ 366.30	\$ 4.17	11.55%
	\$ 4.11	23	\$ 94.53		
	\$ 4.18	100	\$ 418.00		
	\$ 4.22	152	\$ 641.44		
1971	\$ 4.32	90	\$ 388.80	\$ 4.49	7.81%
	\$ 4.47	184	\$ 822.48		
	\$ 4.70	91	\$ 427.70		
1972	\$ 4.70	90	\$ 423.00	\$ 4.94	10.08%
	\$ 4.94	184	\$ 908.96		
	\$ 5.19	91	\$ 472.29		
1973	\$ 5.19	90	\$ 467.10	\$ 5.38	8.80%
	\$ 5.44	275	\$ 1,496.00		
1974	\$ 5.66	365	\$ 2,065.90	\$ 5.66	5.24%
1975	\$ 6.23	273	\$ 1,700.79	\$ 6.31	11.45%
	\$ 6.54	92	\$ 601.68		
1976	\$ 6.66	90	\$ 599.40	\$ 6.87	8.92%
	\$ 6.86	92	\$ 631.12		
	\$ 6.98	183	\$ 1,277.34		

Table 8: Schedule Showing the Weighted Average Hourly Rates for the Years 1963 through 1997 for Carmen. (Cont.)

Calendar Year	Hourly Rate	Days Effective	Weighted Rate	Weighted Hourly Rate	Growth Rate
1977	\$ 7.11	181	\$ 1,286.91	\$ 7.34	6.86%
	\$ 7.57	184	\$ 1,392.88		
1978	\$ 7.79	90	\$ 701.10	\$ 8.10	10.31%
	\$ 8.02	91	\$ 729.82		
	\$ 8.21	93	\$ 763.53		
	\$ 8.37	91	\$ 761.67		
1979	\$ 8.62	181	\$ 1,560.22	\$ 8.92	10.11%
	\$ 9.21	184	\$ 1,694.64		
1980	\$ 9.49	181	\$ 1,717.69	\$ 9.86	10.60%
	\$ 10.23	184	\$ 1,882.32		
1981	\$ 10.55	90	\$ 949.50	\$ 10.94	10.91%
	\$ 10.75	91	\$ 978.25		
	\$ 11.07	93	\$ 1,029.51		
	\$ 11.38	91	\$ 1,035.58		
1982	\$ 11.73	181	\$ 2,123.13	\$ 12.00	9.72%
	\$ 12.27	184	\$ 2,257.68		
1983	\$ 12.61	181	\$ 2,282.41	\$ 12.78	6.45%
	\$ 12.94	184	\$ 2,380.96		
1984	\$ 13.20	365	\$ 4,818.00	\$ 13.20	3.32%
1985	\$ 13.20	334	\$ 4,408.80	\$ 13.22	0.17%
	\$ 13.46	31	\$ 417.26		
1986	\$ 13.46	334	\$ 4,495.64	\$ 13.49	1.99%
	\$ 13.76	31	\$ 426.56		
1987	\$ 13.76	334	\$ 4,595.84	\$ 13.79	2.23%
	\$ 14.07	31	\$ 436.17		
1988	\$ 14.07	365	\$ 5,135.55	\$ 14.07	2.06%
1989	\$ 14.07	365	\$ 5,135.55	\$ 14.07	0.00%
1990	\$ 14.07	365	\$ 5,135.55	\$ 14.07	0.00%
1991	\$ 14.07	181	\$ 2,546.67	\$ 14.28	1.50%
	\$ 14.49	184	\$ 2,666.16		

Table 9: Schedule Showing the Weighted Average Hourly Rates for the Years 1963 through 1997 for Carmen. (Cont.)

<u>Calendar Year</u>	<u>Hourly Rate</u>	<u>Days Effective</u>	<u>Weighted Rate</u>	<u>Weighted Hourly Rate</u>	<u>Growth Rate</u>
1992	\$ 14.49	365	\$ 5,288.85	\$ 14.49	1.46%
1993	\$ 14.49	181	\$ 2,622.69	\$ 14.71	1.53%
	\$ 14.93	184	\$ 2,747.12		
1994	\$ 14.93	181	\$ 2,702.33	\$ 15.23	3.54%
	\$ 15.53	184	\$ 2,857.52		
1995	\$ 15.53	333	\$ 5,171.49	\$ 15.58	2.31%
	\$ 15.62	1	\$ 15.62		
	\$ 16.17	31	\$ 501.27		
1996	\$ 16.17	181	\$ 2,926.77	\$ 16.31	4.66%
	\$ 16.45	184	\$ 3,026.80		
1997	\$ 16.45	181	\$ 2,977.45	\$ 16.74	2.64%
	\$ 17.03	184	\$ 3,133.52		
1963 through 1997 Compound Rate of Growth					5.52%

EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

09/07/99
11:47:00

EE SSN : 269 - 32 - 7141

EE NAME: FRANZ , P , J

SEX: M

PREVIOUS SURNAME:

DOB: 06 / / 1936 SCORE LOAD

ADDR1

DOD: / /

ADDR2

LAST COA MADE BY

CITY

STATE ZIP

LAST COA MADE ON

FOREIGN ADDRESS

LAST S&C YEAR: 1969

NEW ACCOUNT INDICATOR?(Y/N): N

LAST EMPLOYER: 1313

ACCOUNT VERIFIED?(Y/N): Y

LAST PAYROLL ID: 6034625414

DORMANT ACCOUNT?(Y/N): N

LAST ICC CODE: 007

ANN BEGIN DATE: / /

ACCOUNT LAST ACTIVE: 1969

SERVICE AFTER ABD: NO

SSA INQUIRY DATE: / /

DATE LAST WORKED: / /

SEPARATED: / / ;

DATE RIGHTS RELINQUISHED: / /

/ / ;

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

EMPLOYEE SERVICE AND EARNINGS TOTALS

04/07/55
11:47:53

EE SSN : 269 - 32 - 7141
 FF NAME: FRANZ , P , J

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

 TOTAL REPORTED : 165
 TOTAL DEEMED : 000
 CREDITABLE M/S : 000
 OVERLAP M/S : 000
 TOTAL CREDITABLE : 165
 CREDITABLE 37-46 : 000
 S-C 37-46 ADJ CODE : NO 37-46 DATA

 TIER 1 AMOUNT :\$ 71382.92
 TIER 2 AMOUNT :\$ 0.00
 MISC COMP AMOUNT :\$ 0.00
 37-46 AMOUNT :\$ 0.00
 1959 GROSS AMOUNT :\$ 4800.00
 SSA WAGES :\$ 992200.67
 37-50 SSA WAGES :\$ 0.00

QBD RECORD DOES NOT EXIST

1951 QC'S: 0 PATT: \$ 0.00 1952 QC'S: 0 PATT: \$ 0.00

TOTAL QC'S : 134 QC'S THRU 1974 : 42 QC'S 37-50 : 0

ITEMS IN SUSPENSE?(Y/N):

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

FRANZ

WATSON
BROOKS

PAGE: 0001

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/95
11:48:05

EE SSN: 269 - 32 - 7141 EE NAME: FRANZ , P , J

S	YEAR	SM	RAILROAD INFO				SSA INFO				
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YF PATT	AMOUNT
	1997						4	S	CCCC	0000	65400.00
	1996						4	N	CCCC	0000	62700.00
	1995						4	N	CCCC	0000	61200.00
	1994						4	N	CCCC	0000	60600.00
	1993						4	N	CCCC	0000	57600.00
	1992						4	N	CCCC	0000	55500.00
	1991						4	N	CCCC	0000	53400.00
	1990						4	N	CCCC	0000	51300.00
	1989						4	N	CCCC	0000	48000.00
	1988						4	N	CCCC	0000	45000.00

USER MESSAGE

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

EE SSN: 269 - 32 - 7141 EE NAME: FRANZ , P , J

S	YEAR	SM	RAILROAD INFO				SSA INFO			WAGE YF AMOUNT
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT PATT	
	1987						4	N	CCCC 0000	43800.00
	1986						4	N	CCCC 0000	42000.00
	1985						4	N	CCCC 0000	39600.00
	1984						4	N	CCCC 0000	37800.00
	1983						4	N	CCCC 0000	35700.00
	1982						4	N	CCCC 0000	32400.00
	1981						4	N	CCCC 0000	29542.61
	1980						4	N	CCCC 0000	25900.00
	1979						4	N	CCCC 0000	22900.00
	1978						4	N	CCCC 0000	17700.00

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

- RESPONSES-----
- EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 - EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

PAGE: 0003

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/78
11:48:20

EE SSN: 269 - 32 - 7141

EE NAME: FRANZ

, P , J

S	YEAR	SM	RAILROAD INFO				SSA INFO				
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YF PATT	AMOUNT
	1977						4	N	CCCC	0000	16500.00
	1976						4	N	CCCC	0000	15300.00
	1975						4	N	CCCC	0000	14100.00
	1974						4	N	CCCC	0000	13200.00
	1973						4	N	CCCC	0000	10800.00
	1972						4	N	CCCC	0000	9000.00
	1971						4	N	CCCC	0000	7800.00
	1970						4	N	CCCC	0000	7800.00
	1969	5	6160	0000	2472.11		2	N	#C#C	0000	6506.30
	1968	12	7777	0000	7370.06		3	N	C#CC	0000	257.61

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

EE SSN: 269 - 32 - 7141

EE NAME: FRANZ

, P , J

S	YEAR	SM	RAILROAD INFO				SSA INFO					
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YI PATT	AMOUNT	
1967	12		7777	0000	6600.00			1	N	CN##	0000	141.92
1966	12		7777	0000	6600.00			2	N	NCCN	0000	174.80
1965	12		7777	0000	5400.00			2	N	NCC#	0000	174.42
1964	12		7777	0000	5400.00			1	N	NNCN	0000	64.78
1963	12		7777	0000	4900.00							
1962	12		7777	0000	4800.00							
1961	12		7777	0000	4800.00							
1960	12		7777	0000	4800.00				N	NNN#	0000	3.19
1959	12		0000	0000	4550.00							
1958	12		0000	0000	4200.00							

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

RESPONSES

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

PAGE: 0005

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/90
11:48:41

EE SSN: 269 - 32 - 7141

EE NAME: FRANZ

, P , J

S	YEAR	SM	RAILROAD INFO				SSA INFO				
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--- SSA SE&AG	WAGE M/S PATT	WAGE YF AMOUNT	
1957	12		0000	0000	4158.59						
1956	12		0000	0000	4104.58						
1955	4		0000	0000	1227.58	3	N	CCCN	0000	863.36	
1954						4	N	CCCC	0000	553.69	
1953						4	N	CCCC	0000	551.30	
1952							N	NNNN	0000	366.69	

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Seperation Allowance

of

Phillip Franz

Prepared for

Carla Tricarichi
Attorney at Law

Prepared by:

Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
Economists

July 30, 2007

Personal Data Sheet

Name: Phillip Franz
Date of Birth: 6/20/1936
Date of Separation: 5/31/1969 (58.63% of 1969 Remains)
Age on: 5/31/1969 32.9 Years
Work Life Expectancy from: 5/31/1969 27.1 Years (51.23% of 1996)*
Age at Expiration of Work Life Expectancy: 60.0 Years Old
Life Expectancy from: 5/31/1969 44.1 Years (51.51% of 2013)**
Age at Expiration of Life Expectancy: 77.0 Years Old
Age on: 9/1/2007 71.2 Years
Work Life Expectancy from: 9/1/2007 3.1 Years (76.71% of 2010)*
Age at Expiration of Work Life Expectancy: 74.3 Years Old
Life Expectancy from: 9/1/2007 12.7 Years (36.71% of 2020)**
Age at Expiration of Life Expectancy: 83.9 Years Old
Occupation: Clerk
Date of Hire: 1955

As of 9/1/2007

<u>Name</u>	<u>Relationship</u>	<u>Date of Birth</u>	<u>Age</u>	<u>Life Expectancy</u>
Muriel	Wife	10/21/1937	69.9	16 Years

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{MW} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Separation Allowance	
A. Separation Allowance	\$ 10,473
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	<u>\$ 164,580</u>
Total	\$ 175,052
B. Separation Allowance	\$ 10,473
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	<u>\$ 255,064</u>
Total	\$ 265,537

Table 1: Schedule Showing the Earnings for the Years 1958-1969, & the Separation Allowance for Phillip Franz.

<u>Year</u>	<u>Earnings (a)</u>	<u>Months Employed (a)</u>
1958	\$ 4,200.00	12
1959	\$ 4,550.00	12
1960	\$ 4,800.00	12
1961	\$ 4,800.00	12
1962	\$ 4,800.00	12
1963	\$ 4,900.00	12
1964	\$ 5,400.00	12
1965	\$ 5,400.00	12
1966	\$ 6,600.00	12
1967	\$ 6,600.00	12
1968	\$ 7,370.06	12
1969	\$ 2,472.11	5

12 Month Prior Wage
(b) \$ 7,563.60

Separation Allowance
(c) \$ 10,472.68

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the monthly rate of \$630.30 multiplied by 12 months. The monthly rate is from a 1/10/1969 letter from E.T. Scheper, Manager-Freight Accounting for Penn Central.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Phillip Franz, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,473	\$ 418	6.84%	\$ 10,890	\$ 418
1970		\$ 823	7.56%	\$ 11,713	\$ 823
1971		\$ 738	6.30%	\$ 12,452	\$ 738
1972		\$ 791	6.36%	\$ 13,243	\$ 791
1973		\$ 931	7.03%	\$ 14,174	\$ 931
1974		\$ 1,102	7.78%	\$ 15,276	\$ 1,102
1975		\$ 1,258	8.23%	\$ 16,534	\$ 1,258
1976		\$ 1,295	7.83%	\$ 17,828	\$ 1,295
1977		\$ 1,360	7.63%	\$ 19,188	\$ 1,360
1978		\$ 1,665	8.68%	\$ 20,854	\$ 1,665
1979		\$ 2,037	9.77%	\$ 22,891	\$ 2,037
1980		\$ 2,731	11.93%	\$ 25,622	\$ 2,731
1981		\$ 3,757	14.66%	\$ 29,379	\$ 3,757
1982		\$ 4,013	13.66%	\$ 33,391	\$ 4,013
1983		\$ 3,864	11.57%	\$ 37,255	\$ 3,864
1984		\$ 4,863	13.05%	\$ 42,118	\$ 4,863
1985		\$ 4,654	11.05%	\$ 46,773	\$ 4,654
1986		\$ 3,692	7.89%	\$ 50,465	\$ 3,692
1987		\$ 4,369	8.66%	\$ 54,834	\$ 4,369
1988		\$ 5,016	9.15%	\$ 59,850	\$ 5,016
1989		\$ 5,245	8.76%	\$ 65,095	\$ 5,245
1990		\$ 5,747	8.83%	\$ 70,842	\$ 5,747
1991		\$ 5,734	8.09%	\$ 76,576	\$ 5,734
1992		\$ 5,511	7.20%	\$ 82,087	\$ 5,511
1993		\$ 4,926	6.00%	\$ 87,013	\$ 4,926
1994		\$ 6,335	7.28%	\$ 93,348	\$ 6,335
1995		\$ 6,286	6.73%	\$ 99,634	\$ 6,286
1996		\$ 6,573	6.60%	\$ 106,207	\$ 6,573
1997		\$ 6,906	6.50%	\$ 113,113	\$ 6,906
1998		\$ 6,068	5.36%	\$ 119,181	\$ 6,068
1999		\$ 6,878	5.77%	\$ 126,059	\$ 6,878
2000		\$ 7,775	6.17%	\$ 133,834	\$ 7,775
2001		\$ 6,846	5.12%	\$ 140,680	\$ 6,846
2002		\$ 6,598	4.69%	\$ 147,278	\$ 6,598
2003		\$ 5,995	4.07%	\$ 153,274	\$ 5,995
2004		\$ 6,650	4.34%	\$ 159,924	\$ 6,650
2005		\$ 6,972	4.36%	\$ 166,896	\$ 6,972
2006	(e)	\$ 8,156	4.89%	\$ 175,052	\$ 8,156
					\$ 164,580

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 7 months remaining after Mr. Franz separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file. Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Phillip Franz, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,473	\$ 500	8.19%	\$ 10,973	\$ 500
1970		\$ 894	8.15%	\$ 11,867	\$ 894
1971		\$ 694	5.85%	\$ 12,561	\$ 694
1972		\$ 672	5.35%	\$ 13,233	\$ 672
1973		\$ 1,092	8.25%	\$ 14,325	\$ 1,092
1974		\$ 1,610	11.24%	\$ 15,935	\$ 1,610
1975		\$ 1,290	8.09%	\$ 17,225	\$ 1,290
1976		\$ 1,209	7.02%	\$ 18,434	\$ 1,209
1977		\$ 1,290	7.00%	\$ 19,724	\$ 1,290
1978		\$ 1,847	9.36%	\$ 21,571	\$ 1,847
1979		\$ 2,862	13.27%	\$ 24,433	\$ 2,862
1980		\$ 3,938	16.12%	\$ 28,371	\$ 3,938
1981		\$ 5,741	20.24%	\$ 34,113	\$ 5,741
1982		\$ 5,353	15.69%	\$ 39,465	\$ 5,353
1983		\$ 4,435	11.24%	\$ 43,901	\$ 4,435
1984		\$ 5,529	12.59%	\$ 49,430	\$ 5,529
1985		\$ 5,095	10.31%	\$ 54,525	\$ 5,095
1986		\$ 4,686	8.59%	\$ 59,211	\$ 4,686
1987		\$ 5,008	8.46%	\$ 64,219	\$ 5,008
1988		\$ 6,193	9.64%	\$ 70,412	\$ 6,193
1989		\$ 7,973	11.32%	\$ 78,385	\$ 7,973
1990		\$ 8,145	10.39%	\$ 86,530	\$ 8,145
1991		\$ 7,557	8.73%	\$ 94,088	\$ 7,557
1992		\$ 6,021	6.40%	\$ 100,109	\$ 6,021
1993		\$ 6,143	6.14%	\$ 106,252	\$ 6,143
1994		\$ 7,787	7.33%	\$ 114,038	\$ 7,787
1995		\$ 10,407	9.13%	\$ 124,445	\$ 10,407
1996		\$ 10,616	8.53%	\$ 135,062	\$ 10,616
1997		\$ 11,767	8.71%	\$ 146,829	\$ 11,767
1998		\$ 12,655	8.62%	\$ 159,484	\$ 12,655
1999		\$ 13,136	8.24%	\$ 172,621	\$ 13,136
2000		\$ 16,498	9.56%	\$ 189,119	\$ 16,498
2001		\$ 13,418	7.10%	\$ 202,537	\$ 13,418
2002		\$ 9,636	4.76%	\$ 212,173	\$ 9,636
2003		\$ 8,883	4.19%	\$ 221,055	\$ 8,883
2004		\$ 9,753	4.41%	\$ 230,809	\$ 9,753
2005		\$ 14,610	6.33%	\$ 245,419	\$ 14,610
2006	(e)	\$ 20,118	8.20%	\$ 265,537	\$ 20,118
					\$ 255,064

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 7 months remaining after Mr. Franz separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

04/07/99

EMPLOYMENT DATA MAINTENANCE

04/07/99
11:49:55

EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

EE SSN : 085 - 32 - 7557

EE NAME: ONEIL

, T , D

SEX: M

PREVIOUS SURNAME:

DOB: 07 / / 1941 SCORE LOAD

ADDR1

DOD: / /

ADDR2

LAST COA MADE BY

CITY

STATE ZIP

LAST COA MADE ON

FOREIGN ADDRESS

LAST S&C YEAR: 1969

LAST EMPLOYER: 1313

LAST PAYROLL ID: 0212600707

LAST ICC CODE: 006

ACCOUNT LAST ACTIVE: 1969

SSA INQUIRY DATE: / /

SEPARATED: / / ;
/ / ;

NEW ACCOUNT INDICATOR?(Y/N): N

ACCOUNT VERIFIED?(Y/N): Y

DORMANT ACCOUNT?(Y/N): Y

ANN BEGIN DATE: / /

SERVICE AFTER ABD: NO

DATE LAST WORKED: / /

DATE RIGHTS RELINQUISHED: / /

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

ONEIL

EMPLOYEE SERVICE AND EARNINGS TOTALS

08/07/99
11:49:42

EE SSN : 085 - 32 - 7557

EE NAME: ONEIL , T , D

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

TOTAL REPORTED : 045
TOTAL DEEMED : 000
CREDITABLE M/S : 000
OVERLAP M/S : 000
TOTAL CREDITABLE : 045
CREDITABLE 37-46 : 000

TIER 1 AMOUNT :\$ 23747.25
TIER 2 AMOUNT :\$ 0.00
MISC COMP AMOUNT :\$ 0.00
37-46 AMOUNT :\$ 0.00
1959 GROSS AMOUNT :\$ 0.00
SSA WAGES :\$ 0.00
37-50 SSA WAGES :\$ 0.00

S-C 37-46 ADJ CODE : NO 37-46 DATA

QBD RECORD DOES NOT EXIST

1951 QC'S: 0 PATT: \$ 0.00 1952 QC'S: 0 PATT: \$ 0.00

TOTAL QC'S : 0 QC'S THRU 1974 : 0 QC'S 37-50 : 0

ITEMS IN SUSPENSE?(Y/N):

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

EE SSN: 085 - 32 - 7557 EE NAME: ONEIL , T , D

S	YEAR	SM	RAILROAD INFO				SSA INFO				
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--- SSA SE&AG	WAGE M/S PATT	WAGE YF PATT	WAGE YF AMOUNT
1969	6		7700	0000	3900.00						
1968	12		7777	0000	7515.77						
1967	12		7777	0000	6598.31						
1966	12		7777	0000	5169.42						
1965	3		0007	0000	563.75						

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

- EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
- EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Seperation Allowance

of

Thomas Oneil

Prepared for

**Carla Tricarichi
Attorney at Law**

Prepared by:

**Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
*Economists***

July 30, 2007

Personal Data Sheet

Name: Thomas Oneil
 Date of Birth: 7/23/1941
 Date of Separation: 6/30/1969 (50.41% of 1969 Remains)
 Age on: 6/30/1969 27.9 Years
 Work Life Expectancy from: 6/30/1969 31.7 Years (19.45% of 2001)*
 Age at Expiration of Work Life Expectancy: 59.6 Years Old
 Life Expectancy from: 6/30/1969 48.9 Years (39.73% of 2018)**
 Age at Expiration of Life Expectancy: 76.8 Years Old
 Age on: 9/1/2007 66.1 Years
 Work Life Expectancy from: 9/1/2007 4.0 Years (66.85% of 2011)*
 Age at Expiration of Work Life Expectancy: 70.1 Years Old
 Life Expectancy from: 9/1/2007 16.0 Years (66.85% of 2023)**
 Age at Expiration of Life Expectancy: 82.1 Years Old
 Occupation: Clerk
 Date of Hire: 1965

As of 9/1/2007

<u>Name</u>	<u>Relationship</u>	<u>Date of Birth</u>	<u>Age</u>	<u>Life Expectancy</u>
Diana	Wife	3/3/1943	64.5	20.1 Years

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No. 14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{MW} revised March 28, 2007.

Value

I. Loss of Separation Allowance

A. Separation Allowance	\$	10,406
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	\$	<u>162,586</u>
Total	\$	172,992
B. Separation Allowance	\$	10,406
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	\$	<u>251,733</u>
Total	\$	262,139

Table 1: Schedule Showing the Earnings for the Years 1965-1969, & the Separation Allowance for Thomas O'Neil.

<u>Year</u>	<u>Earnings (a)</u>	<u>Months Employed (a)</u>
1965	\$ 563.75	3
1966	\$ 5,169.42	12
1967	\$ 6,598.31	12
1968	\$ 7,515.77	12
1969	\$ 3,900.00	6
12 Month Prior Wage (b)	\$ 7,515.77	
Separation Allowance (c)	\$ 10,406.45	

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the 1968 wage, the last year where the client worked for 12 full months.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Thomas O'Neil, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,406	\$ 356	6.84%	\$ 10,762	\$ 356
1970		\$ 813	7.56%	\$ 11,575	\$ 813
1971		\$ 730	6.30%	\$ 12,305	\$ 730
1972		\$ 782	6.36%	\$ 13,087	\$ 782
1973		\$ 920	7.03%	\$ 14,007	\$ 920
1974		\$ 1,089	7.78%	\$ 15,096	\$ 1,089
1975		\$ 1,243	8.23%	\$ 16,339	\$ 1,243
1976		\$ 1,279	7.83%	\$ 17,618	\$ 1,279
1977		\$ 1,344	7.63%	\$ 18,963	\$ 1,344
1978		\$ 1,646	8.68%	\$ 20,608	\$ 1,646
1979		\$ 2,013	9.77%	\$ 22,621	\$ 2,013
1980		\$ 2,699	11.93%	\$ 25,320	\$ 2,699
1981		\$ 3,713	14.66%	\$ 29,033	\$ 3,713
1982		\$ 3,965	13.66%	\$ 32,998	\$ 3,965
1983		\$ 3,818	11.57%	\$ 36,817	\$ 3,818
1984		\$ 4,806	13.05%	\$ 41,623	\$ 4,806
1985		\$ 4,600	11.05%	\$ 46,222	\$ 4,600
1986		\$ 3,649	7.89%	\$ 49,871	\$ 3,649
1987		\$ 4,318	8.66%	\$ 54,188	\$ 4,318
1988		\$ 4,957	9.15%	\$ 59,146	\$ 4,957
1989		\$ 5,184	8.76%	\$ 64,329	\$ 5,184
1990		\$ 5,679	8.83%	\$ 70,008	\$ 5,679
1991		\$ 5,667	8.09%	\$ 75,675	\$ 5,667
1992		\$ 5,446	7.20%	\$ 81,121	\$ 5,446
1993		\$ 4,868	6.00%	\$ 85,989	\$ 4,868
1994		\$ 6,261	7.28%	\$ 92,249	\$ 6,261
1995		\$ 6,212	6.73%	\$ 98,461	\$ 6,212
1996		\$ 6,496	6.60%	\$ 104,957	\$ 6,496
1997		\$ 6,825	6.50%	\$ 111,782	\$ 6,825
1998		\$ 5,997	5.36%	\$ 117,779	\$ 5,997
1999		\$ 6,797	5.77%	\$ 124,575	\$ 6,797
2000		\$ 7,683	6.17%	\$ 132,259	\$ 7,683
2001		\$ 6,765	5.12%	\$ 139,024	\$ 6,765
2002		\$ 6,521	4.69%	\$ 145,545	\$ 6,521
2003		\$ 5,925	4.07%	\$ 151,470	\$ 5,925
2004		\$ 6,572	4.34%	\$ 158,042	\$ 6,572
2005		\$ 6,890	4.36%	\$ 164,932	\$ 6,890
2006	(e)	\$ 8,060	4.89%	\$ 172,992	\$ 8,060
					\$ 162,586

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. O'Neil separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file.

(d) Please note that they are adjusted to reflect quarterly compounding.

(e) The one time separation allowance should have been received in 1969.

(f) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Thomas O'Neil, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,406	\$ 426	8.19%	\$ 10,833	\$ 426
1970		\$ 882	8.15%	\$ 11,715	\$ 882
1971		\$ 685	5.85%	\$ 12,400	\$ 685
1972		\$ 664	5.35%	\$ 13,064	\$ 664
1973		\$ 1,078	8.25%	\$ 14,142	\$ 1,078
1974		\$ 1,589	11.24%	\$ 15,731	\$ 1,589
1975		\$ 1,273	8.09%	\$ 17,005	\$ 1,273
1976		\$ 1,193	7.02%	\$ 18,198	\$ 1,193
1977		\$ 1,274	7.00%	\$ 19,472	\$ 1,274
1978		\$ 1,823	9.36%	\$ 21,295	\$ 1,823
1979		\$ 2,826	13.27%	\$ 24,120	\$ 2,826
1980		\$ 3,888	16.12%	\$ 28,008	\$ 3,888
1981		\$ 5,668	20.24%	\$ 33,676	\$ 5,668
1982		\$ 5,284	15.69%	\$ 38,960	\$ 5,284
1983		\$ 4,379	11.24%	\$ 43,339	\$ 4,379
1984		\$ 5,458	12.59%	\$ 48,797	\$ 5,458
1985		\$ 5,030	10.31%	\$ 53,828	\$ 5,030
1986		\$ 4,626	8.59%	\$ 58,453	\$ 4,626
1987		\$ 4,944	8.46%	\$ 63,397	\$ 4,944
1988		\$ 6,113	9.64%	\$ 69,511	\$ 6,113
1989		\$ 7,871	11.32%	\$ 77,382	\$ 7,871
1990		\$ 8,041	10.39%	\$ 85,423	\$ 8,041
1991		\$ 7,461	8.73%	\$ 92,884	\$ 7,461
1992		\$ 5,944	6.40%	\$ 98,828	\$ 5,944
1993		\$ 6,064	6.14%	\$ 104,892	\$ 6,064
1994		\$ 7,687	7.33%	\$ 112,579	\$ 7,687
1995		\$ 10,274	9.13%	\$ 122,853	\$ 10,274
1996		\$ 10,480	8.53%	\$ 133,333	\$ 10,480
1997		\$ 11,617	8.71%	\$ 144,950	\$ 11,617
1998		\$ 12,494	8.62%	\$ 157,444	\$ 12,494
1999		\$ 12,968	8.24%	\$ 170,412	\$ 12,968
2000		\$ 16,287	9.56%	\$ 186,699	\$ 16,287
2001		\$ 13,247	7.10%	\$ 199,945	\$ 13,247
2002		\$ 9,512	4.76%	\$ 209,458	\$ 9,512
2003		\$ 8,769	4.19%	\$ 218,227	\$ 8,769
2004		\$ 9,628	4.41%	\$ 227,855	\$ 9,628
2005		\$ 14,423	6.33%	\$ 242,278	\$ 14,423
2006	(e)	\$ 19,861	8.20%	\$ 262,139	\$ 19,861
					\$ 251,733

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. O'Neil separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

EDMIDIU1

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

04/01/99
11:53:15

EE SSN : 280 - 12 - 9272

NAME: WATJEN , R , B

SEX: M

PREVIOUS SURNAME:

DOB: 05 / 13 / 1925 RRB

ADDR1

DOD: / /

ADDR2

LAST COA MADE BY

CITY

STATE ZIP -

LAST COA MADE ON

FOREIGN ADDRESS

LAST S&C YEAR: 1969

NEW ACCOUNT INDICATOR?(Y/N): N

LAST EMPLOYER: 1313

ACCOUNT VERIFIED?(Y/N): Y

LAST PAYROLL ID: 6999627885

DORMANT ACCOUNT?(Y/N): N

LAST ICC CODE: 010

ANN BEGIN DATE: 05 / 01 / 1990

ACCOUNT LAST ACTIVE: 1969

SERVICE AFTER ABD: NO

SSA INQUIRY DATE: 12 / 07 / 1989

DATE LAST WORKED: / /

SEPARATED: / / ;

DATE RIGHTS RELINQUISHED: 06 / / 1969

/ / ;

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

EDMID103

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE SERVICE AND EARNINGS TOTALS

04/01/99
11:53:01

EE SSN : 280 - 12 - 9272

FN NAME: WATJEN , R , B

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

-----		-----	
TOTAL REPORTED	: 302	TIER 1 AMOUNT	:\$ 106990.55
TOTAL DEEMED	: 000	TIER 2 AMOUNT	:\$ 0.00
CREDITABLE M/S	: 000	MISC COMP AMOUNT	:\$ 0.00
OVERLAP M/S	: 000	37-46 AMOUNT	:\$ 5867.38
TOTAL CREDITABLE	: 302	1959 GROSS AMOUNT	:\$ 4800.00
CREDITABLE 37-46	: 032	SSA WAGES	:\$ 543950.84
S-C 37-46 ADJ CODE	: NEVER ADJUSTED	37-50 SSA WAGES	:\$ 4491.36
QBD RECORD DOES NOT EXIST			
1951 QC'S:	0	PATT:	\$ 0.00
1952 QC'S:	0	PATT:	\$ 0.00
TOTAL QC'S :	127	QC'S THRU 1974 :	63
		QC'S 37-50 :	0
ITEMS IN SUSPENSE?(Y/N):			

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

WATJEN

EDM1D104
PAGE: 0001

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/07/99
11:51:43

EE SSN: 280 - 12 - 9272 EE NAME: WATJEN , R , B

----- RAILROAD INFO -----							----- SSA INFO -----					
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--	SSA SE&AG	WAGE M/S PATT	WAGE YR PATT	WAGE YR AMOUNT
	1997							N	NNNN	0000		258.25
	1994							N	NNNN	0000		172.12
	1993							N	NNNN	0000		194.07
	1992							N	NNNN	0000		19.50
	1990							4	N	CCCC	0000	19163.48
	1989							4	N	CCCC	0000	41153.23
	1988							4	N	CCCC	0000	36493.00
	1987							4	N	CCCC	0000	35338.00
	1986							4	N	CCCC	0000	37273.74
	1985							4	N	CCCC	0000	35474.36

USER MESSAGE

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EDMID104
PAGE: 0002

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/99
11:51:54

EE SSN: 280 - 12 - 9272 EE NAME: WATJEN , R , B

----- RAILROAD INFO -----							----- SSA INFO -----					
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--	SSA SE&AG	WAGE M/S PATT	WAGE YR PATT	WAGE YR AMOUNT
	1984							4	N	CCCC 0000		34618.64
	1983							4	N	CCCC 0000		33305.06
	1982							4	N	CCCC 0000		30131.80
	1981							4	N	CCCC 0000		29700.00
	1980							4	N	CCCC 0000		25900.00
	1979							4	N	CCCC 0000		22900.00
	1978							4	N	CCCC 0000		17700.00
	1977							4	N	CCCC 0000		16500.00
	1976							4	N	CCCC 0000		15300.00
	1975							4	N	CCCC 0000		14100.00

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EDMID104
PAGE: 0003

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/77
11:52:03

EE SSN: 280 - 12 - 9272 EE NAME: WATJEN , R , B

----- RAILROAD INFO -----							----- SSA INFO -----					
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--	SSA SE&AG	WAGE M/S PATT	WAGE YR PATT	WAGE YR AMOUNT
	1974							4	N	CCCC 0000		13200.00
	1973							4	N	CCCC 0000		10800.00
	1972							4	N	CCCC 0000		9000.00
	1971							4	N	CCCC 0000		7800.00
	1970							4	N	CCCC 0000		7800.00
	1969	6	7310	0000	2384.04			4	N	CCCC 0000		7800.00
	1968	12	7777	0000	7543.18			4	N	CCCC 0000		4955.73
	1967	12	7777	0000	6600.00			4	N	CCCC 0000		4709.27
	1966	12	7777	0000	6388.71			4	N	CCCC 0000		4473.68
	1965	12	7777	0000	5400.00			4	N	CCCC 0000		4047.43

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

EE SSN: 280 - 12 - 9272

EE NAME: WATJEN

, R , B

S	YEAR	SM	RAILROAD INFO				SSA INFO			WAGE YR AMOUNT
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT PATT	
1964	12		7777	0000	5400.00		4	N	CCCC 0000	3759.35
1963	12		7777	0000	4900.00		4	N	CCCC 0000	3802.74
1962	12		7777	0000	4800.00		4	N	CCCC 0000	3750.51
1961	12		7777	0000	4800.00		4	N	CCCC 0000	3365.69
1960	12		7777	0000	4800.00		4	N	CCCC 0000	2978.23
1959	12		0000	0000	4550.00		2	N	NNCC 0000	817.20
1958	12		0000	0000	4200.00					
1957	12		0000	0000	4200.00			N	NN#N 0000	40.05
1956	12		0000	0000	4200.00			N	NN#N 0000	15.63
1955	12		0000	0000	4184.48					

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

EE SSN: 280 - 12 - 9272 EE NAME: WATJEN , R , B

S	YEAR	SM	RAILROAD INFO				SSA INFO			
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--- SSA SE&AG	WAGE M/S PATT	WAGE YF AMOUNT
	1954	12	0000	0000	3868.46					
	1953	12	0000	0000	3600.00		1	N	CNNN 0000	186.47
	1952	12	0000	0000	3600.00			N	NNNN 0000	449.50
	1951	12	0000	0000	3550.46			N	NNNN 0000	12.75
	1950	12	0000	0000	3237.46					
	1949	12	0000	0000	3194.46					
	1948	12	0000	0000	3000.46					
	1947	12	0000	0000	2721.46					
	1946	32	0000	0000	5867.38					

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Seperation Allowance

of

Robert Watjen

Prepared for

Carla Tricarichi
Attorney at Law

Prepared by:

Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
Economists

July 30, 2007

Personal Data Sheet

Name: Robert Watjen
Date of Birth: 5/13/1925
Date of Separation: 6/30/1969 (50.41% of 1969 Remains)
Age on: 6/30/1969 44.1 Years
Work Life Expectancy from: 6/30/1969 17.3 Years (79.73% of 1986)*
Age at Expiration of Work Life Expectancy: 61.4 Years Old
Life Expectancy from: 6/30/1969 33.9 Years (39.73% of 2003)**
Age at Expiration of Life Expectancy: 78.0 Years Old
Age on: 9/1/2007 82.3 Years
Work Life Expectancy from: 9/1/2007 0.0 Years (66.85% of 2007)*
Age at Expiration of Work Life Expectancy: 82.3 Years Old
Life Expectancy from: 9/1/2007 6.9 Years (56.71% of 2014)**
Age at Expiration of Life Expectancy: 89.2 Years Old
Occupation: Clerk
Date of Hire: 1944

As of 9/1/2007

<u>Name</u>	<u>Relationship</u>	<u>Date of Birth</u>	<u>Age</u>	<u>Life Expectancy</u>
Judith	Wife	4/2/1940	67.4	17.9 Years

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{mw} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Separation Allowance	
A. Separation Allowance	\$ 10,950
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	<u>\$ 171,078</u>
Total	\$ 182,028
B. Separation Allowance	\$ 10,950
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	<u>\$ 264,882</u>
Total	\$ 275,832

Table 1: Schedule Showing the Earnings for the Years 1958-1969, & the Separation Allowance for Robert Watjen.

Year	Earnings (a)	Months Employed (a)
1958	\$ 4,200.00	12
1959	\$ 4,550.00	12
1960	\$ 4,800.00	12
1961	\$ 4,800.00	12
1962	\$ 4,800.00	12
1963	\$ 4,900.00	12
1964	\$ 5,400.00	12
1965	\$ 5,400.00	12
1966	\$ 6,388.71	12
1967	\$ 6,600.00	12
1968	\$ 7,543.18	12
1969	\$ 2,364.04	6

12 Month Prior Wage
(b) \$ 7,908.36

Separation Allowance
(c) \$ 10,950.04

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the monthly rate of \$659.03 multiplied by 12 months. The monthly rate is from a 1/10/1969 letter from E.T. Scheper, Manager-Freight Accounting for Penn Central.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Robert Watjen, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,950	\$ 374	6.84%	\$ 11,324	\$ 374
1970		\$ 856	7.56%	\$ 12,180	\$ 856
1971		\$ 768	6.30%	\$ 12,948	\$ 768
1972		\$ 823	6.36%	\$ 13,771	\$ 823
1973		\$ 968	7.03%	\$ 14,739	\$ 968
1974		\$ 1,146	7.78%	\$ 15,885	\$ 1,146
1975		\$ 1,308	8.23%	\$ 17,193	\$ 1,308
1976		\$ 1,346	7.83%	\$ 18,539	\$ 1,346
1977		\$ 1,414	7.63%	\$ 19,953	\$ 1,414
1978		\$ 1,732	8.68%	\$ 21,685	\$ 1,732
1979		\$ 2,118	9.77%	\$ 23,803	\$ 2,118
1980		\$ 2,840	11.93%	\$ 26,643	\$ 2,840
1981		\$ 3,907	14.66%	\$ 30,549	\$ 3,907
1982		\$ 4,173	13.66%	\$ 34,722	\$ 4,173
1983		\$ 4,018	11.57%	\$ 38,740	\$ 4,018
1984		\$ 5,057	13.05%	\$ 43,797	\$ 5,057
1985		\$ 4,840	11.05%	\$ 48,637	\$ 4,840
1986		\$ 3,839	7.89%	\$ 52,476	\$ 3,839
1987		\$ 4,543	8.66%	\$ 57,019	\$ 4,543
1988		\$ 5,216	9.15%	\$ 62,235	\$ 5,216
1989		\$ 5,454	8.76%	\$ 67,689	\$ 5,454
1990		\$ 5,976	8.83%	\$ 73,665	\$ 5,976
1991		\$ 5,963	8.09%	\$ 79,628	\$ 5,963
1992		\$ 5,730	7.20%	\$ 85,358	\$ 5,730
1993		\$ 5,122	6.00%	\$ 90,480	\$ 5,122
1994		\$ 6,588	7.28%	\$ 97,068	\$ 6,588
1995		\$ 6,536	6.73%	\$ 103,604	\$ 6,536
1996		\$ 6,835	6.60%	\$ 110,439	\$ 6,835
1997		\$ 7,182	6.50%	\$ 117,621	\$ 7,182
1998		\$ 6,310	5.36%	\$ 123,931	\$ 6,310
1999		\$ 7,152	5.77%	\$ 131,083	\$ 7,152
2000		\$ 8,085	6.17%	\$ 139,168	\$ 8,085
2001		\$ 7,119	5.12%	\$ 146,286	\$ 7,119
2002		\$ 6,861	4.69%	\$ 153,148	\$ 6,861
2003		\$ 6,234	4.07%	\$ 159,382	\$ 6,234
2004		\$ 6,915	4.34%	\$ 166,297	\$ 6,915
2005		\$ 7,250	4.36%	\$ 173,547	\$ 7,250
2006	(e)	\$ 8,481	4.89%	\$ 182,028	\$ 8,481
					\$ 171,078

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. Watjen separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file. Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Robert Watjen, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,950	\$ 448	8.19%	\$ 11,398	\$ 448
1970		\$ 929	8.15%	\$ 12,327	\$ 929
1971		\$ 721	5.85%	\$ 13,048	\$ 721
1972		\$ 698	5.35%	\$ 13,746	\$ 698
1973		\$ 1,135	8.25%	\$ 14,881	\$ 1,135
1974		\$ 1,672	11.24%	\$ 16,553	\$ 1,672
1975		\$ 1,340	8.09%	\$ 17,893	\$ 1,340
1976		\$ 1,256	7.02%	\$ 19,148	\$ 1,256
1977		\$ 1,340	7.00%	\$ 20,489	\$ 1,340
1978		\$ 1,918	9.36%	\$ 22,407	\$ 1,918
1979		\$ 2,973	13.27%	\$ 25,380	\$ 2,973
1980		\$ 4,091	16.12%	\$ 29,471	\$ 4,091
1981		\$ 5,964	20.24%	\$ 35,435	\$ 5,964
1982		\$ 5,560	15.69%	\$ 40,996	\$ 5,560
1983		\$ 4,607	11.24%	\$ 45,603	\$ 4,607
1984		\$ 5,743	12.59%	\$ 51,346	\$ 5,743
1985		\$ 5,293	10.31%	\$ 56,639	\$ 5,293
1986		\$ 4,867	8.59%	\$ 61,507	\$ 4,867
1987		\$ 5,202	8.46%	\$ 66,709	\$ 5,202
1988		\$ 6,433	9.64%	\$ 73,142	\$ 6,433
1989		\$ 8,283	11.32%	\$ 81,424	\$ 8,283
1990		\$ 8,461	10.39%	\$ 89,885	\$ 8,461
1991		\$ 7,850	8.73%	\$ 97,736	\$ 7,850
1992		\$ 6,255	6.40%	\$ 103,990	\$ 6,255
1993		\$ 6,381	6.14%	\$ 110,371	\$ 6,381
1994		\$ 8,088	7.33%	\$ 118,460	\$ 8,088
1995		\$ 10,810	9.13%	\$ 129,270	\$ 10,810
1996		\$ 11,028	8.53%	\$ 140,298	\$ 11,028
1997		\$ 12,224	8.71%	\$ 152,522	\$ 12,224
1998		\$ 13,146	8.62%	\$ 165,668	\$ 13,146
1999		\$ 13,645	8.24%	\$ 179,313	\$ 13,645
2000		\$ 17,138	9.56%	\$ 196,451	\$ 17,138
2001		\$ 13,939	7.10%	\$ 210,390	\$ 13,939
2002		\$ 10,009	4.76%	\$ 220,399	\$ 10,009
2003		\$ 9,227	4.19%	\$ 229,626	\$ 9,227
2004		\$ 10,131	4.41%	\$ 239,757	\$ 10,131
2005		\$ 15,177	6.33%	\$ 254,934	\$ 15,177
2006	(e)	\$ 20,898	8.20%	\$ 275,832	\$ 20,898
					\$ 264,882

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. Watjen separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.
Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

EDM1D101-

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

02/20/99
10:13:11

EE SSN : 269 - 03 - 0940

NAME: WILGER

, A , M

SEX: F

DOB: 03 / 16 / 1911 RRB

PREVIOUS SURNAME:

DOD: 02 / 01 / 1995 SURV. MBF

ADDR1

LAST COA MADE BY

ADDR2

CITY

LAST COA MADE ON

STATE ZIP

FOREIGN ADDRESS

LAST S&C YEAR: 1969

LAST EMPLOYER: 1313

NEW ACCOUNT INDICATOR?(Y/N): N

LAST PAYROLL ID: 6057625221

ACCOUNT VERIFIED?(Y/N): Y

LAST ICC CODE: 005

DORMANT ACCOUNT?(Y/N): Y

ACCOUNT LAST ACTIVE: 1969

ANN BEGIN DATE: 06 / 04 / 1971

SSA INQUIRY DATE: / /

SERVICE AFTER ABD: NO

SEPARATED: / / ;

DATE LAST WORKED: / /

/ / ;

DATE RIGHTS RELINQUISHED: / /

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

W: 6/2/99

EDMID103

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE SERVICE AND EARNINGS TOTALS

04/20/99
10:13:36

EE SSN : 269 - 03 - 0940

EE NAME: WILGER , A , M

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

TOTAL REPORTED : 172
TOTAL DEEMED : 000
CREDITABLE M/S : 000
OVERLAP M/S : 000
TOTAL CREDITABLE : 172
CREDITABLE 37-46 : 000

TIER 1 AMOUNT :\$ 73017.43
TIER 2 AMOUNT :\$ 0.00
MISC COMP AMOUNT :\$ 0.00
37-46 AMOUNT :\$ 0.00
1959 GROSS AMOUNT :\$ 4800.00
SSA WAGES :\$ 28143.54
37-50 SSA WAGES :\$ 16857.84

S-C 37-46 ADJ CODE : NO 37-46 DATA

QBD RECORD DOES NOT EXIST

1951 QC'S: 0 PATT: \$ 0.00

1952 QC'S: 0 PATT: \$ 0.00

TOTAL QC'S : 8 QC'S THRU 1974 : 8 QC'S 37-50 : 0

ITEMS IN SUSPENSE?(Y/N):

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

EDMFD104
PAGE: 0001

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/20/99
10:13:46

EE SSN: 269 - 03 - 0940 EE NAME: WILGER , A , M

S	YEAR	SM	RAILROAD INFO				SSA INFO			
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--- SSA SE&AG	WAGE M/S PATT	WAGE YR PATT
	1969	2	1100	0000	1072.70					
	1968	12	7777	0000	7536.09					
	1967	12	7777	0000	6600.00					
	1966	12	7777	0000	6587.10					
	1965	12	7777	0000	5400.00					
	1964	12	7777	0000	5400.00					
	1963	12	7777	0000	4900.00					
	1962	12	7777	0000	4800.00					
	1961	12	7777	0000	4800.00					
	1960	12	7777	0000	4800.00					

USER MESSAGE

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EDM1D104
PAGE: 0002

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/20/99
10:13:55

EE SSN: 269 - 03 - 0940 EE NAME: WILGER , A , M

S	YEAR	SM	RAILROAD INFO				SSA INFO			
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YF AMOUNT
	1959	12	0000	0000	4550.00					
	1958	12	0000	0000	4200.00					
	1957	12	0000	0000	4184.40					
	1956	12	0000	0000	4090.38					
	1955	12	0000	0000	3541.38		N	NNNN	0000	24.00
	1954	2	0000	0000	555.38	4	N	CCCC	0000	2540.00
	1953					4	N	CCCC	0000	3009.28
	1952						N	NNNN	0000	3055.98
	1951						N	NNNN	0000	2656.44

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Seperation Allowance

of

Anna Mae Wuliger

Prepared for

Carla Tricarichi
Attorney at Law

Prepared by:

Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
Economists

July 30, 2007

Personal Data Sheet

Name:	Anna Mae Wuliger	
Date of Birth:	3/16/1911	
Date of Separation	2/28/1969	(83.84% of 1969 Remains)
Age on:	2/28/1969	58.0 Years
Work Life Expectancy from:	2/28/1969	5.9 Years (6.3% of 1975)*
Age at Expiration of Work Life Expectancy:		63.9 Years Old
Life Expectancy from:	2/28/1969	25.4 Years (56.16% of 1994)**
Age at Expiration of Life Expectancy:		83.4 Years Old
Age on: 9/1/2007		96.5 Years
Work Life Expectancy from:	9/1/2007	0.0 Years (66.85% of 2007)*
Age at Expiration of Work Life Expectancy:		96.5 Years Old
Life Expectancy from:	9/1/2007	3.1 Years (76.71% of 2010)**
Age at Expiration of Life Expectancy:		99.6 Years Old
Occupation:	Clerk	
Date of Hire:	1954	

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville. Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{FW} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Separation Allowance	
A. Separation Allowance	\$ 10,435
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	<u>\$ 166,849</u>
Total	\$ 177,283
B. Separation Allowance	\$ 10,435
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	<u>\$ 259,307</u>
Total	\$ 269,741

Table 1: Schedule Showing the Earnings for the Years 1958-1969, & the Separation Allowance for Anna Mae Wuliger.

<u>Year</u>	<u>Earnings (a)</u>	<u>Months Employed (a)</u>
1958	\$ 4,200.00	12
1959	\$ 4,550.00	12
1960	\$ 4,800.00	12
1961	\$ 4,800.00	12
1962	\$ 4,800.00	12
1963	\$ 4,900.00	12
1964	\$ 5,400.00	12
1965	\$ 5,400.00	12
1966	\$ 6,587.10	12
1967	\$ 6,600.00	12
1968	\$ 7,536.09	12
1969	\$ 1,072.70	2

12 Month Prior Wage
(b) \$ 7,536.09

Separation Allowance
(c) \$ 10,434.59

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the 1968 wage, the last year where the client worked for 12 full months.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Anna Mae Wuliger, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,435	\$ 595	6.84%	\$ 11,029	\$ 595
1970		\$ 833	7.56%	\$ 11,863	\$ 833
1971		\$ 748	6.30%	\$ 12,610	\$ 748
1972		\$ 802	6.36%	\$ 13,412	\$ 802
1973		\$ 943	7.03%	\$ 14,354	\$ 943
1974		\$ 1,116	7.78%	\$ 15,471	\$ 1,116
1975		\$ 1,274	8.23%	\$ 16,744	\$ 1,274
1976		\$ 1,311	7.83%	\$ 18,055	\$ 1,311
1977		\$ 1,377	7.63%	\$ 19,433	\$ 1,377
1978		\$ 1,687	8.68%	\$ 21,120	\$ 1,687
1979		\$ 2,063	9.77%	\$ 23,183	\$ 2,063
1980		\$ 2,766	11.93%	\$ 25,948	\$ 2,766
1981		\$ 3,805	14.66%	\$ 29,753	\$ 3,805
1982		\$ 4,064	13.66%	\$ 33,817	\$ 4,064
1983		\$ 3,913	11.57%	\$ 37,730	\$ 3,913
1984		\$ 4,925	13.05%	\$ 42,655	\$ 4,925
1985		\$ 4,714	11.05%	\$ 47,369	\$ 4,714
1986		\$ 3,739	7.89%	\$ 51,108	\$ 3,739
1987		\$ 4,425	8.66%	\$ 55,533	\$ 4,425
1988		\$ 5,080	9.15%	\$ 60,613	\$ 5,080
1989		\$ 5,312	8.76%	\$ 65,925	\$ 5,312
1990		\$ 5,820	8.83%	\$ 71,745	\$ 5,820
1991		\$ 5,808	8.09%	\$ 77,552	\$ 5,808
1992		\$ 5,581	7.20%	\$ 83,133	\$ 5,581
1993		\$ 4,988	6.00%	\$ 88,122	\$ 4,988
1994		\$ 6,416	7.28%	\$ 94,538	\$ 6,416
1995		\$ 6,366	6.73%	\$ 100,903	\$ 6,366
1996		\$ 6,657	6.60%	\$ 107,560	\$ 6,657
1997		\$ 6,994	6.50%	\$ 114,555	\$ 6,994
1998		\$ 6,145	5.36%	\$ 120,700	\$ 6,145
1999		\$ 6,965	5.77%	\$ 127,666	\$ 6,965
2000		\$ 7,874	6.17%	\$ 135,540	\$ 7,874
2001		\$ 6,933	5.12%	\$ 142,473	\$ 6,933
2002		\$ 6,682	4.69%	\$ 149,155	\$ 6,682
2003		\$ 6,072	4.07%	\$ 155,227	\$ 6,072
2004		\$ 6,735	4.34%	\$ 161,962	\$ 6,735
2005		\$ 7,061	4.36%	\$ 169,023	\$ 7,061
2006	(e)	\$ 8,260	4.89%	\$ 177,283	\$ 8,260
					\$ 166,849

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 10 months remaining after Ms. Wuliger separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file.

(d) Please note that they are adjusted to reflect quarterly compounding.

(e) The one time separation allowance should have been received in 1969.

(f) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for Anna Mae Wuliger, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,435	\$ 712	8.19%	\$ 11,147	\$ 712
1970		\$ 908	8.15%	\$ 12,055	\$ 908
1971		\$ 705	5.85%	\$ 12,760	\$ 705
1972		\$ 683	5.35%	\$ 13,443	\$ 683
1973		\$ 1,110	8.25%	\$ 14,552	\$ 1,110
1974		\$ 1,635	11.24%	\$ 16,188	\$ 1,635
1975		\$ 1,310	8.09%	\$ 17,498	\$ 1,310
1976		\$ 1,228	7.02%	\$ 18,726	\$ 1,228
1977		\$ 1,311	7.00%	\$ 20,036	\$ 1,311
1978		\$ 1,876	9.36%	\$ 21,912	\$ 1,876
1979		\$ 2,908	13.27%	\$ 24,820	\$ 2,908
1980		\$ 4,001	16.12%	\$ 28,821	\$ 4,001
1981		\$ 5,832	20.24%	\$ 34,653	\$ 5,832
1982		\$ 5,438	15.69%	\$ 40,090	\$ 5,438
1983		\$ 4,506	11.24%	\$ 44,596	\$ 4,506
1984		\$ 5,617	12.59%	\$ 50,213	\$ 5,617
1985		\$ 5,176	10.31%	\$ 55,389	\$ 5,176
1986		\$ 4,760	8.59%	\$ 60,149	\$ 4,760
1987		\$ 5,087	8.46%	\$ 65,236	\$ 5,087
1988		\$ 6,291	9.64%	\$ 71,527	\$ 6,291
1989		\$ 8,100	11.32%	\$ 79,626	\$ 8,100
1990		\$ 8,274	10.39%	\$ 87,900	\$ 8,274
1991		\$ 7,677	8.73%	\$ 95,577	\$ 7,677
1992		\$ 6,116	6.40%	\$ 101,694	\$ 6,116
1993		\$ 6,240	6.14%	\$ 107,934	\$ 6,240
1994		\$ 7,910	7.33%	\$ 115,844	\$ 7,910
1995		\$ 10,572	9.13%	\$ 126,416	\$ 10,572
1996		\$ 10,784	8.53%	\$ 137,200	\$ 10,784
1997		\$ 11,954	8.71%	\$ 149,154	\$ 11,954
1998		\$ 12,856	8.62%	\$ 162,010	\$ 12,856
1999		\$ 13,344	8.24%	\$ 175,354	\$ 13,344
2000		\$ 16,759	9.56%	\$ 192,113	\$ 16,759
2001		\$ 13,631	7.10%	\$ 205,744	\$ 13,631
2002		\$ 9,788	4.76%	\$ 215,532	\$ 9,788
2003		\$ 9,023	4.19%	\$ 224,555	\$ 9,023
2004		\$ 9,908	4.41%	\$ 234,463	\$ 9,908
2005		\$ 14,841	6.33%	\$ 249,304	\$ 14,841
2006	(e)	\$ 20,437	8.20%	\$ 269,741	\$ 20,437
					\$ 259,307

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 10 months remaining after Ms. Wuliger separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.
Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

EDMIDI01

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

04/01/99
11:38:26

EE SSN : 133 - 22 - 5563

NAME: BUNDY , D , C

SEX: M

PREVIOUS SURNAME:

DOB: 06 / / 1930 SCORE LOAD

ADDR1

DOD: 02 / / 1982 SSA

ADDR2

LAST COA MADE BY

CITY

STATE ZIP -

LAST COA MADE ON

FOREIGN ADDRESS

LAST S&C YEAR: 1969

NEW ACCOUNT INDICATOR?(Y/N): N

LAST EMPLOYER: 1313

ACCOUNT VERIFIED?(Y/N): Y

LAST PAYROLL ID: 0489619074

DORMANT ACCOUNT?(Y/N): Y

LAST ICC CODE: 005

ANN BEGIN DATE: / /

ACCOUNT LAST ACTIVE: 1969

SERVICE AFTER ABD: NO

SSA INQUIRY DATE: 03 / 26 / 1982

DATE LAST WORKED: / /

SEPARATED: / / ;

DATE RIGHTS RELINQUISHED: / /

/ / ;

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

10/1/99

EDM1D103

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE SERVICE AND EARNINGS TOTALS

04/01/77
11:36:09

EE SSN : 133 - 22 - 5563

FF NAME: BUNDY , D , C

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

TOTAL REPORTED : 223
TOTAL DEEMED : 000
CREDITABLE M/S : 000
OVERLAP M/S : 000
TOTAL CREDITABLE : 223
CREDITABLE 37-46 : 000
S-C 37-46 ADJ CODE : NO 37-46 DATA

TIER 1 AMOUNT :\$ 86908.87
TIER 2 AMOUNT :\$ 0.00
MISC COMP AMOUNT :\$ 0.00
37-46 AMOUNT :\$ 0.00
1959 GROSS AMOUNT :\$ 4800.00
SSA WAGES :\$ 11162.55
37-50 SSA WAGES :\$ 3834.85

QBD RECORD EXISTS

1951 QC'S: 0 PATT: NNNN \$ 0.00 1952 QC'S: 0 PATT: NNNN \$ 0.00

TOTAL QC'S : 26 QC'S THRU 1974 : 22 QC'S 37-50 : 16

ITEMS IN SUSPENSE?(Y/N):

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

EDM1D104
PAGE: 0003

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/07/99
11:35:54

EE SSN: 133 - 22 - 5563 EE NAME: BUNDY , D , C

		----- RAILROAD INFO -----					----- SSA INFO -----				
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA	WAGE M/S SE&AG	WAGE YR PATT	WAGE YR AMOUNT
	1952	12	0000	0000	3030.51						
	1951	11	0000	0000	2385.51						
	1950	6	0000	0000	1159.51						

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/99
11:35:44

EE SSN: 133 - 22 - 5563 EE NAME: BUNDY , D , C

S	YEAR	SM	RAILROAD INFO				SSA INFO			
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YR AMOUNT
	1962	12	7777	0000	4800.00					
	1961	12	7777	0000	4800.00					
	1960	12	7777	0000	4800.00					
	1959	12	0000	0000	4550.00					
	1958	8	0000	0000	2452.54					
	1957	12	0000	0000	4172.51					
	1956	12	0000	0000	4106.51					
	1955	12	0000	0000	3783.51					
	1954	12	0000	0000	3317.51					
	1953	12	0000	0000	3228.51					

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

DDDDDD
PAGE: 0001

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/07/93
11:35:33

EE SSN: 133 - 22 - 5563 EE NAME: BUNDY , D , C

S	YEAR	SM	RAILROAD INFO				SSA INFO			WAGE YF AMOUNT
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA	WAGE M/S PATT	
	1975						4	S	SSSS 0000	2272.00
	1974						4	S	CCCC 0000	4266.74
	1973						2	N	NNCC 0000	788.96
	1969	6	7700 0000							3627.43
	1968	12	7777 0000							7794.82
	1967	12	7777 0000							6600.00
	1966	12	7777 0000							6600.00
	1965	12	7777 0000							5400.00
	1964	12	7777 0000							5400.00
	1963	12	7777 0000							4900.00

USER MESSAGE

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Separation Allowance

of

David Bundy

Prepared for

**Carla Tricarichi
Attorney at Law**

Prepared by:

**Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
*Economists***

July 30, 2007

Personal Data Sheet

Name: David Bundy
 Date of Birth: 6/27/1930
 Date of Separation: 6/30/1969 (50.41% of 1969 Remains)
 Age on: 6/30/1969 39.0 Years
 Work Life Expectancy from: 6/30/1969 21.7 Years (19.73% of 1991)*
 Age at Expiration of Work Life Expectancy: 60.7 Years Old
 Life Expectancy from: 6/30/1969 38.5 Years (99.73% of 2007)**
 Age at Expiration of Life Expectancy: 77.5 Years Old
 Age on: 9/1/2007 77.2 Years
 Work Life Expectancy from: 9/1/2007 0.0 Years (66.85% of 2007)*
 Age at Expiration of Work Life Expectancy: 77.2 Years Old
 Life Expectancy from: 9/1/2007 9.3 Years (96.71% of 2016)**
 Age at Expiration of Life Expectancy: 86.5 Years Old
 Occupation: Clerk
 Date of Hire: 1950

As of 9/1/2007

<u>Name</u>	<u>Relationship</u>	<u>Date of Birth</u>	<u>Age</u>	<u>Life Expectancy</u>
Anna Jo	Wife	11/30/1938	68.8	16.9 Years

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{MW} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Separation Allowance	
A. Separation Allowance	\$ 10,793
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	<u>\$ 168,622</u>
Total	\$ 179,415
B. Separation Allowance	\$ 10,793
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	<u>\$ 261,079</u>
Total	\$ 271,872

Table 1: Schedule Showing the Earnings for the Years 1958-1969, & the Separation Allowance for David Bundy.

Year	Earnings (a)	Months Employed (a)
1958	\$ 2,452.54	8
1959	\$ 4,550.00	12
1960	\$ 4,800.00	12
1961	\$ 4,800.00	12
1962	\$ 4,800.00	12
1963	\$ 4,900.00	12
1964	\$ 5,400.00	12
1965	\$ 5,400.00	12
1966	\$ 6,600.00	12
1967	\$ 6,600.00	12
1968	\$ 7,794.82	12
1969	\$ 3,627.43	6

12 Month Prior Wage
(b) \$ 7,794.82

Separation Allowance
(c) \$ 10,792.83

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the 1968 wage, the last year where the client worked for 12 full months.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for David Bundy, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,793	\$ 369	6.84%	\$ 11,162	\$ 369
1970		\$ 843	7.56%	\$ 12,005	\$ 843
1971		\$ 757	6.30%	\$ 12,762	\$ 757
1972		\$ 811	6.36%	\$ 13,573	\$ 811
1973		\$ 954	7.03%	\$ 14,527	\$ 954
1974		\$ 1,130	7.78%	\$ 15,657	\$ 1,130
1975		\$ 1,289	8.23%	\$ 16,946	\$ 1,289
1976		\$ 1,327	7.83%	\$ 18,273	\$ 1,327
1977		\$ 1,394	7.63%	\$ 19,667	\$ 1,394
1978		\$ 1,707	8.68%	\$ 21,373	\$ 1,707
1979		\$ 2,088	9.77%	\$ 23,461	\$ 2,088
1980		\$ 2,799	11.93%	\$ 26,260	\$ 2,799
1981		\$ 3,851	14.66%	\$ 30,111	\$ 3,851
1982		\$ 4,113	13.66%	\$ 34,224	\$ 4,113
1983		\$ 3,960	11.57%	\$ 38,183	\$ 3,960
1984		\$ 4,985	13.05%	\$ 43,168	\$ 4,985
1985		\$ 4,770	11.05%	\$ 47,938	\$ 4,770
1986		\$ 3,784	7.89%	\$ 51,722	\$ 3,784
1987		\$ 4,478	8.66%	\$ 56,200	\$ 4,478
1988		\$ 5,141	9.15%	\$ 61,342	\$ 5,141
1989		\$ 5,376	8.76%	\$ 66,718	\$ 5,376
1990		\$ 5,890	8.83%	\$ 72,607	\$ 5,890
1991		\$ 5,877	8.09%	\$ 78,485	\$ 5,877
1992		\$ 5,648	7.20%	\$ 84,133	\$ 5,648
1993		\$ 5,048	6.00%	\$ 89,181	\$ 5,048
1994		\$ 6,493	7.28%	\$ 95,674	\$ 6,493
1995		\$ 6,442	6.73%	\$ 102,117	\$ 6,442
1996		\$ 6,737	6.60%	\$ 108,854	\$ 6,737
1997		\$ 7,079	6.50%	\$ 115,932	\$ 7,079
1998		\$ 6,219	5.36%	\$ 122,152	\$ 6,219
1999		\$ 7,049	5.77%	\$ 129,201	\$ 7,049
2000		\$ 7,969	6.17%	\$ 137,170	\$ 7,969
2001		\$ 7,017	5.12%	\$ 144,186	\$ 7,017
2002		\$ 6,763	4.69%	\$ 150,949	\$ 6,763
2003		\$ 6,145	4.07%	\$ 157,094	\$ 6,145
2004		\$ 6,816	4.34%	\$ 163,910	\$ 6,816
2005		\$ 7,146	4.36%	\$ 171,055	\$ 7,146
2006	(e)	\$ 8,360	4.89%	\$ 179,415	\$ 8,360
					\$ 168,622

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. Bundy separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for David Bundy, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,793	\$ 442	8.19%	\$ 11,235	\$ 442
1970		\$ 915	8.15%	\$ 12,150	\$ 915
1971		\$ 710	5.85%	\$ 12,860	\$ 710
1972		\$ 688	5.35%	\$ 13,549	\$ 688
1973		\$ 1,118	8.25%	\$ 14,667	\$ 1,118
1974		\$ 1,648	11.24%	\$ 16,315	\$ 1,648
1975		\$ 1,321	8.09%	\$ 17,636	\$ 1,321
1976		\$ 1,238	7.02%	\$ 18,873	\$ 1,238
1977		\$ 1,321	7.00%	\$ 20,194	\$ 1,321
1978		\$ 1,891	9.36%	\$ 22,085	\$ 1,891
1979		\$ 2,931	13.27%	\$ 25,016	\$ 2,931
1980		\$ 4,032	16.12%	\$ 29,048	\$ 4,032
1981		\$ 5,878	20.24%	\$ 34,926	\$ 5,878
1982		\$ 5,481	15.69%	\$ 40,407	\$ 5,481
1983		\$ 4,541	11.24%	\$ 44,948	\$ 4,541
1984		\$ 5,661	12.59%	\$ 50,609	\$ 5,661
1985		\$ 5,217	10.31%	\$ 55,826	\$ 5,217
1986		\$ 4,798	8.59%	\$ 60,624	\$ 4,798
1987		\$ 5,127	8.46%	\$ 65,751	\$ 5,127
1988		\$ 6,340	9.64%	\$ 72,092	\$ 6,340
1989		\$ 8,164	11.32%	\$ 80,255	\$ 8,164
1990		\$ 8,339	10.39%	\$ 88,595	\$ 8,339
1991		\$ 7,738	8.73%	\$ 96,332	\$ 7,738
1992		\$ 6,165	6.40%	\$ 102,497	\$ 6,165
1993		\$ 6,290	6.14%	\$ 108,787	\$ 6,290
1994		\$ 7,972	7.33%	\$ 116,759	\$ 7,972
1995		\$ 10,655	9.13%	\$ 127,414	\$ 10,655
1996		\$ 10,870	8.53%	\$ 138,284	\$ 10,870
1997		\$ 12,048	8.71%	\$ 150,332	\$ 12,048
1998		\$ 12,957	8.62%	\$ 163,289	\$ 12,957
1999		\$ 13,450	8.24%	\$ 176,739	\$ 13,450
2000		\$ 16,892	9.56%	\$ 193,630	\$ 16,892
2001		\$ 13,739	7.10%	\$ 207,369	\$ 13,739
2002		\$ 9,865	4.76%	\$ 217,234	\$ 9,865
2003		\$ 9,095	4.19%	\$ 226,329	\$ 9,095
2004		\$ 9,986	4.41%	\$ 236,315	\$ 9,986
2005		\$ 14,959	6.33%	\$ 251,274	\$ 14,959
2006	(e)	\$ 20,598	8.20%	\$ 271,872	\$ 20,598
					\$ 261,079

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 6 months remaining after Mr. Bundy separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.
Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

EDM1D101

EMPLOYMENT DATA MAINTENANCE
EMPLOYEE DEMOGRAPHIC INFORMATION SCREEN

04/01/99
11:44:59

EE SSN : 298 - 26 - 6223

NAME: FELDSCHER , J , E

SEX: M

PREVIOUS SURNAME:

DOB: 03 / / 1934 SCORE LOAD

ADDR1

DOD: 07 / 06 / 1993 SSA

ADDR2

LAST COA MADE BY

CITY

STATE ZIP -

LAST COA MADE ON

FOREIGN ADDRESS

LAST S&C YEAR: 1969

NEW ACCOUNT INDICATOR?(Y/N): N

LAST EMPLOYER: 1313

ACCOUNT VERIFIED?(Y/N): Y

LAST PAYROLL ID: 6548632337

DORMANT ACCOUNT?(Y/N): N

LAST ICC CODE: 007

ANN BEGIN DATE: / /

ACCOUNT LAST ACTIVE: 1969

SERVICE AFTER ABD: NO

SSA INQUIRY DATE: 08 / 02 / 1993

DATE LAST WORKED: / /

SEPARATED: / / ;

DATE RIGHTS RELINQUISHED: / /

/ / ;

USER MESSAGE

DC930851 *** YOU ARE IN INQUIRY MODE ***

-----RESPONSES-----

RUIA =PF14 EE S&E SUM=PF16 LEDGER =PF18 MULT SSN=PF21 BA-6 =PF23
MISC SCORE=PF15 YEARLY SUM=PF17 SERV MOS=PF19 MIL SERV=PF22 HIST STMT=PF24

EMPLOYEE SERVICE AND EARNINGS TOTALS

11:44:48

EE SSN : 298 - 26 - 6223

EE NAME: FELDSCHER , J , E

SERVICE MONTHS TOTALS

COMPENSATION TOTALS

TOTAL REPORTED : 192
 TOTAL DEEMED : 000
 CREDITABLE M/S : 000
 OVERLAP M/S : 000
 TOTAL CREDITABLE : 192
 CREDITABLE 37-46 : 000
 S-C 37-46 ADJ CODE : NO 37-46 DATA

TIER 1 AMOUNT :\$ 81440.94
 TIER 2 AMOUNT :\$ 0.00
 MISC COMP AMOUNT :\$ 0.00
 37-46 AMOUNT :\$ 0.00
 1959 GROSS AMOUNT :\$ 4800.00
 SSA WAGES :\$ 678662.31
 37-50 SSA WAGES :\$ 1676.75

QBD RECORD DOES NOT EXIST

1951 QC'S: 0 PATT: \$ 0.00 1952 QC'S: 0 PATT: \$ 0.00

TOTAL QC'S : 138 QC'S THRU 1974 : 62 QC'S 37-50 : 0

ITEMS IN SUSPENSE?(Y/N):

USER MESSAGE

DC930861 PLEASE PROVIDE SEARCH CRITERIA AND PRESS ENTER

RESPONSES

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 S&E YEAR TOTALS =PF17 SERV MO DETAIL =PF19

PAGE: 0001

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

11:43:27

EE SSN: 298 - 26 - 6223

EE NAME: FELDSCHER

, J , E

----- RAILROAD INFO -----							----- SSA INFO -----					
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--	SSA SE&AG	WAGE M/S PATT	WAGE YF PATT	WAGE AMOUNT
	1993							4	N	CCCC 0000		11394.12
	1992							4	N	CCCC 0000		43913.25
	1991							4	N	CCCC 0000		47869.08
	1990							4	N	CCCC 0000		41688.25
	1989							4	N	CCCC 0000		39155.62
	1988							4	N	CCCC 0000		45000.00
	1987							4	N	CCCC 0000		43800.00
	1986							4	N	CCCC 0000		42000.00
	1985							4	N	CCCC 0000		39600.00
	1984							4	N	CCCC 0000		37800.00

USER MESSAGE

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

PAGE: 0002

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/85
11:43:46

EE SSN: 298 - 26 - 6223 EE NAME: FELDSCHER , J , E

----- RAILROAD INFO -----							----- SSA INFO -----					
S	YEAR	SM	MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA	SE&AG	WAGE M/S PATT	WAGE YF PATT	WAGE YF AMOUNT
	1983							4	N	CCCC	0000	35700.00
	1982							4	N	CCCC	0000	32400.00
	1981							4	N	CCCC	0000	29700.00
	1980							4	N	CCCC	0000	25900.00
	1979							4	N	CCCC	0000	22900.00
	1978							4	N	CCCC	0000	17700.00
	1977							4	N	CCCG	0000	16500.00
	1976							4	N	CCGG	0000	15300.00
	1975							4	N	CCGG	0000	14100.00
	1974							4	N	CCCG	0000	13200.00

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

PAGE: 0003

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

04/01/95
11:44:18

EE SSN: 298 - 26 - 6223

EE NAME: FELDSCHER

, J , E

S	YEAR	SM	RAILROAD INFO				SSA INFO				
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C-- SSA SE&AG	WAGE M/S PATT	WAGE YF PATT	AMOUNT
	1973							4	N	CCGG 0000	10800.00
	1972							4	N	CCCG 0000	9000.00
	1971							4	N	CCCG 0000	7800.00
	1970							3	N	CCC# 0000	7800.00
	1969	8	6770	0000	5185.90			4	N	CCCC 0000	5352.30
	1968	12	7777	0000	7326.28			4	N	CCCC 0000	3584.62
	1967	12	7777	0000	6600.00			4	N	CCCC 0000	2793.94
	1966	12	7777	0000	6480.75			4	N	CCCC 0000	1235.05
	1965	12	7777	0000	5400.00			4	N	CCCC 0000	1423.87
	1964	12	7777	0000	5400.00			4	N	CCCC 0000	1495.52

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

EMPLOYMENT DATA MAINTENANCE
CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

EE SSN: 298 - 26 - 6223 EE NAME: FELDSCHER , J , E

S	YEAR	SM	RAILROAD INFO				SSA INFO					
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP	MISC COMP	---Q/C--- SSA	WAGE M/S PATT	WAGE YR PATT	AMOUNT	
1963	12		7777	0000	4900.00			4	N	CCCC	0000	1541.80
1962	12		7777	0000	4800.00			4	N	CCCC	0000	1344.82
1961	12		7777	0000	4800.00			3	N	CNCC	0000	857.99
1960	12		7777	0000	4800.00			2	N	NNCC	0000	741.53
1959	12		0000	0000	4550.00							
1958	12		0000	0000	4200.00							
1957	12		0000	0000	4200.00							
1956	12		0000	0000	4200.00			1	N	NCNN	0000	107.25
1955	12		0000	0000	3920.67			1	N	NCNN	0000	90.96
1954	12		0000	0000	3691.67							

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

PAGE: 0005

CREDITABLE SERVICE AND EARNINGS YEARLY TOTALS

11:44:39

EE SSN: 298 - 26 - 6223

EE NAME: FELDSCHER

, J , E

S	YEAR	SM	RAILROAD INFO				MISC COMP	SSA INFO		WAGE YR AMOUNT
			MOS PATT	DEEM PATT	TIER-1 COMP	TIER-2 COMP		---Q/C-- SSA SE&AG	WAGE M/S PATT PATT	
1953	4	0000	0000	985.67			4	N	CCCC 0000	2139.32
1952								N	NNNN 0000	1336.47
1951								N	NNNN 0000	1919.80

USER MESSAGE

DC930121 SELECT A YEAR FROM LIST ABOVE AND USE PF18 FOR S&E LEDGER

-----RESPONSES-----

EE INFO =PF13 MISC SCORE =PF15 S&E LEDGER =PF18 MIL SERV =PF22
 EE SERV/RUIA =PF14 EE S&E TOTALS =PF16 SERV MO DETAIL =PF19 HIST STMT=PF20

Preliminary Report

concerning the

Seperation Allowance

of

James Feldsher

Prepared for

Carla Tricarichi
Attorney at Law

Prepared by:

Harvey S. Rosen, Ph.D.
John F. Burke, Jr., Ph.D.
Economists

July 30, 2007

Personal Data Sheet

Name:	James Feldsher	
Date of Birth:	3/1/1934	
Date of Separation	8/31/1969	(33.42% of 1969 Remains)
Age on:	8/31/1969	35.5 Years
Work Life Expectancy from:	8/31/1969	24.8 Years (46.58% of 1994)*
Age at Expiration of Work Life Expectancy:		60.3 Years Old
Life Expectancy from:	8/31/1969	41.7 Years (36.71% of 2011)**
Age at Expiration of Life Expectancy:		77.2 Years Old
Age on:	9/1/2007	73.5 Years
Work Life Expectancy from:	9/1/2007	2.4 Years (6.85% of 2010)*
Age at Expiration of Work Life Expectancy:		75.9 Years Old
Life Expectancy from:	9/1/2007	11.3 Years (96.71% of 2018)**
Age at Expiration of Life Expectancy:		84.8 Years Old
Occupation:	Clerk	
Date of Hire:	1953	

Note: As of 9/1/2007 33.15% of 2007 Remains

*Length of Working Life for Men and Women, 1979-80, Worklife Estimates, February 1986, Bureau of Labor Statistics, U.S. Department of Labor.

**Expectation of Life at Single Years of Age, by Race, and Sex: U.S., 2003, Arias, E. United States life tables, 2003. National Vital Statistics Reports; Vol 54 No.14, Hyattsville, Maryland: National Center for Health Statistics, April 19, 2006, pgs. 16-19 and 22-25, ^{MW} revised March 28, 2007.

Summary Sheet

	Value
I. Loss of Separation Allowance	
A. Separation Allowance	\$ 10,759
Back Interest through 1/1/2007 (Interest Based on 10 Year Treasuries)	<u>\$ 166,127</u>
Total	\$ 176,886
B. Separation Allowance	\$ 10,759
Back Interest through 1/1/2007 (Interest Based on Bank Prime Loan Rates)	<u>\$ 256,714</u>
Total	\$ 267,473

Table 1: Schedule Showing the Earnings for the Years 1958-1969, & the Separation Allowance for James Feldsher.

<u>Year</u>	<u>Earnings (a)</u>	<u>Months Employed (a)</u>
1958	\$ 4,200.00	12
1959	\$ 4,550.00	12
1960	\$ 4,800.00	12
1961	\$ 4,800.00	12
1962	\$ 4,800.00	12
1963	\$ 4,900.00	12
1964	\$ 5,400.00	12
1965	\$ 5,400.00	12
1966	\$ 6,480.75	12
1967	\$ 6,600.00	12
1968	\$ 7,326.28	12
1969	\$ 5,185.90	8

12 Month Prior Wage
(b) \$ 7,770.60

Separation Allowance
(c) \$ 10,759.29

(a) Source from "Employment Data Maintenance Creditable Service and Earnings Yearly Totals" sheet.

(b) Calculated as the monthly rate of \$647.55 multiplied by 12 months. The monthly rate is from a 1/10/1969 letter from E.T. Scheper, Manager-Freight Accounting for Penn Central.

(c) The separation allowance calculated as the 12 month prior wage divided by 260 days worked multiplied by 360 days per Pages 12 & 13, Section 9 of Appendix A of the 1964 MPA and the 1936 Washington Jobs Agreement.

Table 2: Schedule Showing the Present Value of the Separation Allowance & Back Interest for James Feldsher, through 1/1/2007. (Based on the 10 Year Treasury Securities)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,759	\$ 245	6.84%	\$ 11,005	\$ 245
1970		\$ 831	7.56%	\$ 11,836	\$ 831
1971		\$ 746	6.30%	\$ 12,582	\$ 746
1972		\$ 800	6.36%	\$ 13,382	\$ 800
1973		\$ 940	7.03%	\$ 14,322	\$ 940
1974		\$ 1,114	7.78%	\$ 15,436	\$ 1,114
1975		\$ 1,271	8.23%	\$ 16,707	\$ 1,271
1976		\$ 1,308	7.83%	\$ 18,015	\$ 1,308
1977		\$ 1,374	7.63%	\$ 19,389	\$ 1,374
1978		\$ 1,683	8.68%	\$ 21,072	\$ 1,683
1979		\$ 2,058	9.77%	\$ 23,131	\$ 2,058
1980		\$ 2,759	11.93%	\$ 25,890	\$ 2,759
1981		\$ 3,796	14.66%	\$ 29,686	\$ 3,796
1982		\$ 4,055	13.66%	\$ 33,741	\$ 4,055
1983		\$ 3,904	11.57%	\$ 37,645	\$ 3,904
1984		\$ 4,914	13.05%	\$ 42,560	\$ 4,914
1985		\$ 4,703	11.05%	\$ 47,263	\$ 4,703
1986		\$ 3,731	7.89%	\$ 50,993	\$ 3,731
1987		\$ 4,415	8.66%	\$ 55,408	\$ 4,415
1988		\$ 5,069	9.15%	\$ 60,477	\$ 5,069
1989		\$ 5,300	8.76%	\$ 65,777	\$ 5,300
1990		\$ 5,807	8.83%	\$ 71,584	\$ 5,807
1991		\$ 5,795	8.09%	\$ 77,379	\$ 5,795
1992		\$ 5,569	7.20%	\$ 82,947	\$ 5,569
1993		\$ 4,977	6.00%	\$ 87,924	\$ 4,977
1994		\$ 6,402	7.28%	\$ 94,326	\$ 6,402
1995		\$ 6,352	6.73%	\$ 100,678	\$ 6,352
1996		\$ 6,642	6.60%	\$ 107,319	\$ 6,642
1997		\$ 6,979	6.50%	\$ 114,298	\$ 6,979
1998		\$ 6,132	5.36%	\$ 120,430	\$ 6,132
1999		\$ 6,950	5.77%	\$ 127,380	\$ 6,950
2000		\$ 7,856	6.17%	\$ 135,236	\$ 7,856
2001		\$ 6,918	5.12%	\$ 142,154	\$ 6,918
2002		\$ 6,667	4.69%	\$ 148,821	\$ 6,667
2003		\$ 6,058	4.07%	\$ 154,880	\$ 6,058
2004		\$ 6,720	4.34%	\$ 161,600	\$ 6,720
2005		\$ 7,045	4.36%	\$ 168,645	\$ 7,045
2006	(e)	\$ 8,242	4.89%	\$ 176,886	\$ 8,242
					\$ 166,127

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 4 months remaining after Mr. Feldsher separated from the railroad.

(c) The interest rates are the 10 year market yield on U.S. Treasury Securities at 10-year constant maturity. See copy in file.

Please note that they are adjusted to reflect quarterly compounding.

(d) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

Table 3: Schedule Showing the Present Value of the Separation Allowance & Back Interest for James Feldsher, through 1/1/2007. (Based on the Bank Prime Loan Rate)

Year	Value Lost Separation Allowance (a)	Back Interest (b)	Interest Rates (c)	Balance	Total Present Value of Back Interest
1969	(d) \$ 10,759	\$ 294	8.19%	\$ 11,053	\$ 294
1970		\$ 900	8.15%	\$ 11,953	\$ 900
1971		\$ 699	5.85%	\$ 12,652	\$ 699
1972		\$ 677	5.35%	\$ 13,330	\$ 677
1973		\$ 1,100	8.25%	\$ 14,430	\$ 1,100
1974		\$ 1,622	11.24%	\$ 16,051	\$ 1,622
1975		\$ 1,299	8.09%	\$ 17,351	\$ 1,299
1976		\$ 1,218	7.02%	\$ 18,568	\$ 1,218
1977		\$ 1,300	7.00%	\$ 19,868	\$ 1,300
1978		\$ 1,860	9.36%	\$ 21,728	\$ 1,860
1979		\$ 2,883	13.27%	\$ 24,611	\$ 2,883
1980		\$ 3,967	16.12%	\$ 28,578	\$ 3,967
1981		\$ 5,783	20.24%	\$ 34,361	\$ 5,783
1982		\$ 5,392	15.69%	\$ 39,753	\$ 5,392
1983		\$ 4,468	11.24%	\$ 44,221	\$ 4,468
1984		\$ 5,569	12.59%	\$ 49,790	\$ 5,569
1985		\$ 5,133	10.31%	\$ 54,923	\$ 5,133
1986		\$ 4,720	8.59%	\$ 59,643	\$ 4,720
1987		\$ 5,044	8.46%	\$ 64,687	\$ 5,044
1988		\$ 6,238	9.64%	\$ 70,925	\$ 6,238
1989		\$ 8,032	11.32%	\$ 78,957	\$ 8,032
1990		\$ 8,205	10.39%	\$ 87,161	\$ 8,205
1991		\$ 7,613	8.73%	\$ 94,774	\$ 7,613
1992		\$ 6,065	6.40%	\$ 100,839	\$ 6,065
1993		\$ 6,188	6.14%	\$ 107,027	\$ 6,188
1994		\$ 7,843	7.33%	\$ 114,870	\$ 7,843
1995		\$ 10,483	9.13%	\$ 125,353	\$ 10,483
1996		\$ 10,694	8.53%	\$ 136,046	\$ 10,694
1997		\$ 11,853	8.71%	\$ 147,900	\$ 11,853
1998		\$ 12,748	8.62%	\$ 160,647	\$ 12,748
1999		\$ 13,232	8.24%	\$ 173,879	\$ 13,232
2000		\$ 16,618	9.56%	\$ 190,498	\$ 16,618
2001		\$ 13,516	7.10%	\$ 204,014	\$ 13,516
2002		\$ 9,706	4.76%	\$ 213,720	\$ 9,706
2003		\$ 8,948	4.19%	\$ 222,667	\$ 8,948
2004		\$ 9,824	4.41%	\$ 232,492	\$ 9,824
2005		\$ 14,717	6.33%	\$ 247,208	\$ 14,717
2006	(e)	\$ 20,265	8.20%	\$ 267,473	\$ 20,265
					\$ 256,714

(a) The base Separation Allowance as calculated on Table 1.

(b) Back Interest calculated as compound interest based on interest rates from column (c). The 1969 interest is based on the 4 months remaining after Mr. Feldsher separated from the railroad.

(c) The interest rates are the Bank Prime Loan Rates. See copy in file.

(d) Please note that they are adjusted to reflect quarterly compounding.

(e) The one time separation allowance should have been received in 1969.

(e) Calculated through the end of 2006.

BURKE, ROSEN & ASSOCIATES

2800 Euclid Avenue, Suite 300, Cleveland, OH 44115

in F. Burke, Jr., Ph.D.

Harvey S. Rosen, Ph.D.

July 30, 2007

Carla Tricarichi, Esq.
Randy Hart, Esq.
Mark Griffin, Esq.
TRICARICHI & CARNES
614 Superior Ave. N.W.
Suite 620
Cleveland, OH 44113

Re: Penn Central Cases

Dear Attorneys:

You have asked for my opinion as to the economic loss suffered by those railroad workers that were covered by the MPA effective January 1, 1964 between the New York Central and the Penn Central railroad. The MPA covered all employees who work for either railroad beginning January 1, 1964 or the date of the consummation of the merger. The MPA provided in part that:

"None of the present employees of either of said carriers should be deprived of employment or placed in a worse position with respect to compensation, rules, working conditions, fringe benefits or rights and privileges pertaining thereto in anytime during such employment"

The agreements provided for the three types of allowances: a "coordination allowance", a "displacement allowance" or a "severance allowance".

No coordination loss was computed for any of these 26 claimants. Except in cases of death or disability, it was not possible to determine, when an individual ended their railroad career. At the end of an employee's career, no earnings would have been reported to the Railroad Retirement Board. There is insufficient evidence to determine the cause of the separation. As a result, it was assumed that no coordination allowance economic losses occurred.

The displacement allowance provided that:

"if his compensation in his current position is less in any month in which he performs work than the aforesaid average compensation he shall be paid the difference..."

The severance allowance provided that:

"any employee eligible to receive a coordination allowance under section 7 hereof may, at his option at the time of coordination, resign and (in lieu of all other benefits and protections provided in this agreement) accept in a lump sum a separation allowance determined in accordance with the following schedule:"

I was provided with and have reviewed a large volume of documents. The following documents were explicitly relied upon in order to arrive at an opinion, but should not be considered an exhaustive list of information I have reviewed:

- Agreement for Protection of Employees in Event of a Merger of Pennsylvania and New York Central Railroads, dated November 16, 1964.
- Agreement of May 1936, Washington, DC, dated May 21, 1936.
- Motion to Compel Arbitration Oral Argument Requested.
- Summary of Covered Compensation under the Railroad Retirement Act for Each Employee Evaluated entitled: EMPLOYMENT DATA MAINTENANCE CREDIBLE SERVICE IN EARNINGS YEARLY TOTALS.
- A Schedule Showing Tax Rates and Maximum Covered Compensation per Year under the Railroad Retirement Act, 1966-2007, dated November 2006.
- Wage Guarantee amounts for 10 employees (Knapik group), contained in a letter from Robert O. Neil, Arbitration Committee, to Fred Blackwell dated February 28, 1990.
- Wage rates for Brakeman, 1950-1999, UTU, Research and Statistical Department, October 1996.
- Wage Rates for Carmen, November 1, 1956-July 1, 1997, Brotherhood Railway Carmen Division, Transportation-Communications International Union, revised January 24, 2003.
- Interest Rates on 10 year constant maturity United States Treasury Securities, Federal Reserve System, Board of Governors, 1962-2006.
- January 10, 1969 letter Penn Central Clerk Rates. Providing wages rates for clerks.

In determining each claimant's economic loss, I divided the claimants into two categories:

1. those seeking displacement (the Knapik Group, Case Number 69-722, covering 10 employees, all Brakeman) and the Sophner Group, Case Number 74-914, covering 16 employees, all Carmen); and
2. those seeking separation allowances (the Bundy Group, Case Number 69-947, covering 2 employees, and the Watjen Group, Case Number 69-675, covering 4 employees).

Computation of Economic Loss

The 10 Brakeman's earnings, as reported to the Railroad Retirement Board, were compared to the earnings guarantee as computed by the Railroad. These guarantees had been computed by the Railroad and were provided as an Exhibit by the Railroad in an earlier arbitration. In any year where the actual earnings were less than the guaranteed earnings the claimant suffered an economic loss. In those years where an employee earned the maximum covered compensation under Railroad Retirement, it was not possible to determine whether or not an employee suffered a displacement loss or not. Therefore, in those instances it was assumed that no economic loss occurred. Since there were either limited or no W-2s available, there was no independent way of verifying a claimants actual earnings in any year. As a result, whatever earnings were reported to the Railroad Retirement Board were considered to be the most reliable and accurate estimate of yearly earnings. Wage information provided by the Railroad was not deemed reliable as there was no source documentation provided to verify the accuracy of that information.

In the case of the 16 Carmen, there were no railroad estimates of the guarantee provided. I estimated the annual guarantee by assuming full-time employment at the prevailing Carmen wage rate in effect for each year. The 16 Carmen's earnings, as reported to the Railroad Retirement Board, were then compared to these earnings guarantees. In any year where the actual earnings were less than the guaranteed earnings the claimant suffered an economic loss. In those years where an employee earned the maximum covered compensation under Railroad Retirement, it was not possible to determine whether or not an employee suffered a displacement loss or not. Therefore, in those instances it was assumed that no economic loss occurred.

Separation allowances were computed for the six claimants in Group 2. Essentially, the agreement provided for one years payment based upon the preceding 12 months of earnings. As in the case of the 26 claimants discussed above, earnings reported to the Railroad Retirement Board were used as the basis for this computation. The formula as prescribed on pages 12 and 13 of Section 9, Appendix A to the 1964 MPA and the 1936 Washington Jobs Agreement was used to compute the Separation Allowance.

Back Interest

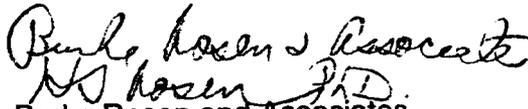
I was asked to compute the amount of interest that would have been accumulated on sums of money owing under the agreements. In order to calculate the back interest, I made two calculations using two different representative interest rates. The interest rates on 10 year treasury securities, an intermediate interest rate, and the prime rate, a short-term interest rate were used to reflect the enrichment received by the Railroad by having had use of monies owed over the period of time in question.

Other Losses

An employee affected by the coordination was not to be deprived of benefits attaching to his employment, such as free transportation, pension, hospitalization insurance, relief, etc. Except for the employer's contribution to the Railroad Retirement Pension, none of the other benefits was taken into account.

My findings are detailed in each of the individual claimants' reports.

Sincerely yours,


Burke Rosen and Associates
Economists

HSR:JFB:cs



PENN CENTRAL

STUART T. SAUNDERS
CHAIRMAN OF THE BOARD
ALFRED E. PEHLMAN
PRESIDENT

February 1, 1968

To All Penn Central Employees:

The Pennsylvania and New York Central are now merged into the largest transportation system in the world. To make it also the best is both an opportunity and an obligation for us all.

The Penn Central merger was approved because of its vast potential to improve service to the millions of people, industries and communities on its lines. The extent to which this potential can be realized, however, depends upon the best efforts of each member of the Penn Central family.

The Penn Central is a new company, which will gain new strength and efficiency by adopting the best practices of each of the former systems. To accomplish this, we must welcome and expedite change.

Change in the Penn Central will be an instrument for progress and job opportunity. It will come about within the framework of established personnel policies and agreements which contain unprecedented protective provisions and security for Penn Central employees.

As important as it is to combine our physical facilities and operations promptly, it is even more vital for us to unite ourselves into a team which is dedicated to the success of this exciting new venture. We look forward to your continued loyal support and cooperation as we enter this new era in transportation history.

Sincerely,

Stuart T. Saunders
Chairman

Alfred E. Pehlman
President



Mr. Saunders' Appearance Before the City Council of New Castle
December 16, 1965

Mr. Mayor and Members of Council:

First of all, let me apologize for being a little late - I just came from New York, and sometimes you get on too tight a schedule, and I hope I haven't inconvenienced you by being a little late.

I am grateful for this opportunity to come to New Castle. It is the first time I have ever been here, and I am delighted to see such a lovely city as you have, and particularly pleased to have this opportunity to talk to you about our proposed merger with the New York Central and to try to tell you what effects we think it will have upon this area, on the state of Pennsylvania, and upon the territory which the two railroads serve. I shall be glad to answer any questions that you have and you can interrupt me at anytime if you care to.

Before coming to the specific effect of this merger upon this area, I'd like to give you, if I may, just a little background as to what brought on this merger movement that is now so pronounced in the railroad industry. As you perhaps know, over 70 per cent of the railroad mileage in this country has been involved within the past two or three years or is now involved in mergers of one sort or another, and we've had here in the East this merger movement which started as a matter of fact while I was president of the Norfolk and Western Railroad. In 1958 we merged with the Virginian Railroad. Then shortly after that we started a proposal to merge the Nickel Plate and Wabash into the Norfolk and Western system and then that brought on the proposal of the C&O-B&O consolidation, and that in turn brought on the proposal for the New York Central-Pennsylvania merger.

This merger movement is a perfectly natural development in our industry, I think; in fact, its one that's long overdue. As you know, most of the railroad mileage in this country--and this is particularly true in the East--was built before the turn of the century at a time when there was no regulation whatsoever as to where a railroad could be built or why or any of the things of that sort and a lot were built for fancy like some of the Vanderbilts or Goulds without any real economic study or thought as to what the railroads were to be used for. Also, at that time the railroads had a monopoly of our transportation business in this country, with no substantial competition from any other form of transportation. In fact, about the only other type of transportation we had then was some waterway transportation which was not of any great consequence. So we've built up in this country, and particularly in the East, a great network of railroads for which, taking into account events which transpired since then, there is now no longer any economic need. In fact, the greatest problem, in my judgment, facing the railroad industry in the East today is overcapacity. We've got far more railroads than we've got any business to handle or to operate for. For example, between Chicago and New York you have seven trunkline railroads now operating between those two cities when you haven't got enough business for three of them. This has come about due to a number of factors. First, you have, as I have alluded to already, the revolution in transportation by virtue of highway carriers which carry much more business now than the railroads, waterways have been modernized, pipelines, transmission of coal by wire from mine-mouth plants instead of our hauling the coal from New York to Philadelphia, for generation of electricity. Worlds of this power now moves over wire and it displaces about 50,000 tons of coal that we used to

The Wreck of the Penn Central

by JOSEPH R. DAUGHEN
and PETER BINZEN



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FIRST EDITION

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"I would be delighted to give it to you lock, stock and barrel," Saunders said, referring to the 219 red coaches, the sixty-four stainless-steel cars, the several dozen stations and other facilities that comprised the commuter service. Startled, Kohn asked if Saunders really meant what he said. "Of course I mean it," Saunders replied. "It's a drag and a drain."

The next day, Saunders was chagrined to read the details of his telephone conversation with Kohn in the Philadelphia *Evening Bulletin*. He quickly backed away from his hasty offer. He had "no authority" to give away the railroad's rolling stock and commuter stations, he said. Only the board of directors could do that. And the railroad would have to be paid in full for its facilities. "The shocking thing is that I can't have a private telephone conversation without having it in the paper," Saunders complained. "I was not speaking for publication last night."

Whether he was speaking for publication or not, Saunders quite clearly meant what he said. He would have liked nothing better than to have the Penn Central relieved of the burden of all passenger operations.

When the merger took effect, Saunders had grand plans. Not the least of these was getting rid of the passenger service. The federal government could take over the long-haul trains. Local authorities could take over commuter lines. The railroad would be excused from the crushing costs of maintaining the service and could quite possibly turn a neat profit by operating the passenger trains under contract with the governments involved, who would have to subsidize the service.

With the passenger service gone, the Penn Central would be relieved of its biggest cash drain. Carrying riders became unprofitable for the railroads about 1950, and the history of passenger service had been written in red ink ever since. From 1963 through 1966, the Pennsylvania and the Central reported combined losses of about \$210 million on these operations.

In 1967, the year before the merger, the two railroads spent one dollar and twenty-four cents for every dollar that a passenger spent for his ticket. The loss that year was \$85 million. In 1968 and 1969, passenger losses were \$100 million and \$105 million. For every one dollar spent in dining cars, the railroads were spending

across its 3,000 acres. It had twenty-three locomotives, and a railroad department of 200 employees, all Local 4889 members. According to Lupini, who obviously was hoping to expand his membership, Penn Central employees worked from sixteen to eighteen hours a day on U.S. Steel property, checking switches and transporting cars. This work, said Lupini, could have and should have been done by U.S. Steel employees. Lupini estimated that this "extra" work cost the Penn Central about \$120,000 yearly.

U.S. Steel, whose board of directors included Stuart Saunders, was one of the railroad's major shippers. Despite Lupini's complaints, Penn Central quite naturally wanted to keep U.S. Steel happy, and \$120,000, considering the immensity of the railroad's operations, appeared to be small enough. The underlying question, though, was how many other shippers were receiving similar favors from the railroad?

Much of the railroad's heavy labor costs were directly traceable to the merger itself. After the merger agreement was signed, in 1962, the twenty-three labor unions that represented the railroad's employees announced their opposition to the proposed consolidation.

Saunders was fully aware of the power of the unions. As head of the Norfolk & Western in 1959, he incurred the wrath of the unions when he was attempting to bring about the merger of the N&W and the Virginian. Under the Interstate Commerce Act, any rail merger must provide protection for employees of the merged system for at least four years. The details of the protection arrangement are left up to the railroads and the unions.

On May 20, 1964, Saunders and Perlman, in anticipation of the merger, signed an agreement with the labor leaders. While it followed along the lines of the arrangement worked out in the N&W-Virginian case and in other mergers, it gave the unions more concessions than any other previous agreement. Where the earlier agreements provided job protection for four years, the Penn Central pact offered lifetime protection. Any person on the payroll at the time the merger agreement was signed could not be dismissed except for cause. If any employee was laid off, he had to be given a year's severance pay. Anyone who lost his job between the

time the agreement was signed and the effective date of the merger had the right to be rehired.⁷

In exchange for this, the unions agreed to drop their opposition to the merger. This was the most important factor to Saunders. The concessions that labor offered seemed small when compared to what the railroad had given up. Under the agreement, the railroad could reduce its work force by 5 percent a year, but only through attrition. This was the normal rate of attrition anyway. It did very little to help the railroad operate more efficiently. Attrition did not afford management the opportunity to choose which jobs could be eliminated. The choice was thrust upon the railroad. If a key post became vacant because its occupant had died, retired or resigned, the railroad would still have to fill it. If employees the railroad considered superfluous chose not to resign, Penn Central either had to keep them on the payroll or pay them severance. The railroad did receive the right to transfer workers, a provision earlier agreements lacked. But in doing so, it had to pay all moving expenses. If the employee refused to move, the railroad was again faced with the same choice — keep him on the payroll or pay him severance.

At the time of the pact, the railroad calculated that the Merger Protective Agreement would cost it \$78.2 million over an eight-year period. For an unexplained reason, railroad negotiators based their estimates on 1961 wage scales, even though the negotiating was done in 1964, when wages were higher, and even though the agreement would have to be lived up to in future years when, presumably, wages would have climbed still higher.

In 1968 and 1969, the cost to the railroad of the agreement was \$64.7 million. In 1970, the agreement cost Penn Central another \$28 million. In just three years, the cost estimate had been exceeded by \$14 million. The internal costs generated by an inability to furlough ineffective or unnecessary employees cannot be calculated.

Saunders, after the collapse, remained highly sensitive to crit-

⁷ About 5,000 employees who had been furloughed between the date of the Merger Protective Agreement and February 1, 1968, were eligible for reinstatement because of the pact. About 2,400 asked to be reinstated and they were rehired.

icism about the Merger Protective Agreement. He insisted the agreement "saved us a great deal of money."

"Now, you might ask, how do you get that?" Saunders said. "You see this merger agreement protects these people for life whereas this other is four years from the date of the merger or the date affected. But the reason you can take that is attrition. Your attrition is sufficient to take care of all the jobs that you can vacate anyway. In other words, on the Penn Central at the time of the merger we had roughly 105,000 employees. Well, your attrition rate is at least 5 to 6 percent a year. So you've got 6,000 jobs a year coming vacant. By death, resignations and so forth. And with your right to transfer the work and the jobs, that's — in four years you've got 25,000 jobs. That's more jobs than you need."⁸

Not everybody agreed with Saunders. E. Clayton Gengras, the Hartford insurance executive who joined the Penn Central's board in December 1969, thought the labor agreement was cause enough to call off the merger. "The death came with the merger," Gengras said. "It should never have been permitted. The day Stuart Saunders signed the deal with the unions he gave the farm away. It was all downhill after that. It was impractical and impossible."

Saunders' elimination of 6,000 jobs a year never came to pass. By March 15, 1970, more than two years after the merger, employment had been cut by only 8,410. Reviewing this reduction, Undersecretary of Transportation James Beggs had this to say: "This is a cut that is substantial, but it is not near what was projected at the time of the merger as being the manpower savings possibilities of the merged road. I think this reflects somewhat a lack of aggressive action on the part of the management, and it also reflects the fact that the labor agreements have been hard to

⁸ When the *Wall Street Journal* printed an article critical of the agreement on August 25, 1970, Saunders had Guy W. Knight, former Penn Central vice president for labor relations, write a long letter to the newspaper defending the pact. "The fact is that, without the Merger Protective Agreement, the labor unions would never have withdrawn their opposition," Knight wrote. "You refer to the labor protection agreement as 'the Saunders Agreement.' Actually all of the negotiations were conducted jointly in 1964 by Messrs. Perlman and Saunders. The agreement was signed by both Messrs. Perlman and Saunders."

BEFORE THE ARBITRATION COMMITTEE
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In the Matter of:  
ROBERT WATJEN, et al.,  
Plaintiffs,  
vs. Case No. 69-675  
PENN CENTRAL,  
Defendant.  
~~~~~

MICHAEL J. KNAPIK, et al.,
Plaintiffs,
vs. Case No. 69-722
PENN CENTRAL,
Defendant.
~~~~~

DAVID C. BUNDY, et al.  
Plaintiffs,  
vs. Case No. 69-947  
PENN CENTRAL,  
Defendant.  
~~~~~

G.V. SOPHNER, et al.
Plaintiffs,
vs. Case No. 74-914
PENN CENTRAL,
Defendant.
~~~~~

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Deposition of
MICHAEL R. WEINMAN

September 27, 2007
10:00 a.m.

Taken at:
Tricarichi, Carnes & Clements
614 Superior Avenue, NW
Cleveland, Ohio

Kristin L. Wegryn, R.P.R.



RENNILLO

<p style="text-align: center;">BEFORE THE ARBITRATION COMMITTEE</p> <p>-----</p> <p>In the Matter of: ROBERT WATJEN, et al., Plaintiffs, vs. Case No. 69-675 PENN CENTRAL, Defendant.</p> <p>-----</p> <p>MICHAEL J. KNAPIK, et al., Plaintiffs, vs. Case No. 69-722 PENN CENTRAL, Defendant.</p> <p>-----</p> <p>DAVID C. BUNDY, et al. Plaintiffs, vs. Case No. 69-947 PENN CENTRAL, Defendant.</p> <p>-----</p> <p>G.V. SOPHNER, et al. Plaintiffs, vs. Case No. 74-914 PENN CENTRAL, Defendant.</p> <p>-----</p> <p>Deposition of MICHAEL R. WEINMAN September 27, 2007 10:00 a.m.</p> <p>Taken at: Tricarichi, Carnes & Clements 614 Superior Avenue, NW Cleveland, Ohio</p> <p>Kristin L. Wegryn, R.P.R.</p>	<p style="text-align: right;">3</p> <p>1 APPEARANCES: (Continued) 2 3 4 On behalf of the Defendant: 5 Blank Rome, LLP, by 6 THOMAS H. STEWART, ESQ. 7 JASON GROPE, ESQ. 8 1700 PNC Center 9 201 East Fifth Street 10 Cincinnati, Ohio 45202 11 (513) 362-8704 12 Stewart@BlankRome.com 13 ~ ~ ~ ~ ~ 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: right;">2</p> <p>1 APPEARANCES: 2 3 On behalf of the Plaintiffs: 4 Tricarichi, Carnes & Clements, by 5 CARLA M. TRICARICHI, ESQ. 6 614 Superior Avenue NW, Suite 620 7 Cleveland, Ohio 44113 8 (216) 861-6677 9 -and- 10 Hahn, Loeser & Parks, by 11 RANDY J. HART, ESQ. 12 3300 BP Tower 13 200 Public Square 14 Cleveland, Ohio 44114-2301 15 (216) 274-2410 16 Rjhart@hahnlaw.com 17 -and- 18 Griffin Law Firm, by 19 MARK GRIFFIN, ESQ. 20 614 Superior Avenue, N.W. 21 Suite 620 22 Cleveland, Ohio 44113 23 (216) 861-6677 24 Mark.d.griffin@gmail.com 25</p>	<p style="text-align: right;">4</p> <p>1 INDEX 2 3 EXAMINATION OF MICHAEL 5 5 4 WEINMAN 5 BY MR. HART 6 7 8 Exhibit 1 was marked 29 1 9 Exhibit 2 was marked 32 15 10 Exhibit 3 was marked 49 4 11 Exhibit 4 was marked 79 11 12 Exhibit 5 was marked 82 20 13 14 15 16 17 18 19 20 21 22 23 24 25</p>

<p>1 MICHAEL WEINMAN, of lawful age, called 2 for examination, being by me first duly sworn, 3 as hereinafter certified, deposed and said as 4 follows: 5 EXAMINATION OF MICHAEL WEINMAN 6 BY MR. HART: 7 Q. Can you please state your full name 8 and address for the record. 9 A. Michael R. Weinman. W-E-I-N-M-A-N. 10 1062 Lancaster Avenue, Suite 3, Bryn Mawr, 10:12:32 11 B-R-Y-N, M-A-W-R, Pennsylvania 19010-1570. 12 Q. You pronounce your name Weinman? 13 A. Weinman. 14 Q. Sir, have you ever had your 15 deposition taken before? 10:12:54 16 A. Yes, I have. 17 Q. Okay. How many times? 18 A. Approximately three or four. 19 Q. As you know, I'm going to ask you a 20 series of questions. You're under oath. 10:13:05 21 You're going to give answers that are truthful. 22 If you have any issues or any questions, you 23 can ask me. And if you need a break, you let 24 me know. Is that okay? 25 A. Yes. 10:13:15</p>	<p>5 7 1 A. In 1963. 2 Q. Before that what were you doing? 3 A. I spent one year at Stevens 4 Institute of Technology. 5 Q. Where is that? 10:14:31 6 A. From '62 to '63. Hopatcong, New 7 Jersey. 8 Q. And prior to Stevens Institute of 9 Technology what did you do? 10 A. I was a high school student at 10:14:41 11 Erasmus High School in Brooklyn, New York. 12 Q. So you graduated high school, you 13 went to Stevens Institute of Technology, and 14 from there you went to NYU? 15 A. That's correct. 10:14:50 16 Q. Did you have any employment in that 17 time period? 18 A. Yes. During the time I was in NYU, 19 I was employed by the Southeastern Pennsylvania 20 Transportation Compact in Philadelphia. 10:15:04 21 Q. Was that a summer job? 22 A. No. It was a job during the school 23 year, approximately three days a week. I 24 arranged my classes to go two days a week to 25 NYU. 10:15:18</p>
<p>6 1 Q. Tell me about the four times, three 2 or four times that you've been deposed. Were 3 those in a professional capacity or were they 4 personal cases? 5 A. They were entirely in a 10:13:28 6 professional capacity in my role as head of 7 PTSI Transportation. 8 Q. Can you tell me -- why don't you 9 give me your background. Let's start with your 10 education. I'm correct, am I not, that you 10:13:45 11 have a B.S. from NYU? 12 A. That's correct. 13 Q. You got that in '66? 14 A. That's correct. 15 Q. You followed up that with an M.B.A. 10:13:52 16 from Northwestern? 17 A. That's correct. 18 Q. Do you have any other degrees? 19 A. I have a certification from the 20 Institute For Certified Travel Agents and that 10:14:02 21 would have been in 1984. 22 Q. Okay. Any others? 23 A. No. 24 Q. Prior to -- well, when did you 25 start at NYU? 10:14:17</p>	<p>8 1 Q. So you would commute between 2 Philadelphia and NYU during that time period? 3 A. Actually, the other way. I lived 4 in New York City and commuted to work in 5 Philadelphia every second day. 10:15:29 6 Q. Tell me what you did in that first 7 position. That was your first job after high 8 school? 9 A. Yes, it was. 10 Q. What did you do? 10:15:41 11 A. I was a transportation analyst and 12 we were working on a program known as SEPACT, 13 S-E-P-A-C-T, 2, which was to study the needs 14 and outlook for the commuter railways of 15 Philadelphia ten years into the future with a 10:15:58 16 horizon of 1975. 17 Q. And what was your specific job 18 function? 19 A. As a transportation analyst, I 20 participated in and conducted studies in the 10:16:09 21 area of fare collection, fare structures, the 22 future of one or two branch lines, operational 23 data and market data incident to the initial 24 planning for the Center City tunnel in 25 Philadelphia and various other ancillary 10:16:27</p>

2 (Pages 5 to 8)

<p>1 studies. 9</p> <p>2 Q. Did you have that employment 3 throughout your time at NYU?</p> <p>4 A. No. That would have only been in 5 my junior and senior years. 10:16:39</p> <p>6 Q. Did you work at all during your 7 freshman and sophomore years?</p> <p>8 A. I did no professional work. I did 9 relatively menial work during the summer.</p> <p>10 Q. What was the next job that you 10:16:52 11 held?</p> <p>12 A. A year following, during which time 13 I was at Northwestern University, I took a job 14 as operating management trainee for the New 15 York Central Railroad. 10:17:08</p> <p>16 Q. And as an operations management 17 trainee, what did you do? What were your 18 functions?</p> <p>19 A. I spent 18 months being trained as 20 a railroad operating officer, six months in the 10:17:16 21 Transportation Department, six months in 22 Maintenance-of-Way Engineering, and six months 23 in the Mechanical Department.</p> <p>24 Q. Where were you -- where was the job 25 located? 10:17:29</p>	<p>11 1 post merger?</p> <p>2 A. I started as a New York Central 3 employee and became a Penn Central employee on 4 February 1st, 1968 with the merger.</p> <p>5 Q. Tell me what your job duties were 10:18:44 6 immediately after you left the M.B.A. program.</p> <p>7 Or I'm sorry. When you started with the merged 8 company, tell me what your --</p> <p>9 A. I was still in the operating 10 management training program for about another 10:18:58 11 six months. Upon conclusion from the operating 12 management training program, I was assigned to 13 head the maintenance support function for the 14 passenger car fleet which numbered 15 approximately 4,000 vehicles. 10:19:14</p> <p>16 Q. What did that entail?</p> <p>17 A. That entailed knowing the fleet, 18 the types of cars. And when we speak of cars, 19 we're speaking of railroad passenger cars. 20 Supporting the maintenance people in the field; 10:19:29 21 keeping data on the cars, including when they 22 were last repaired, when they were due for 23 heavy repairs, when they were due for cleaning.</p> <p>24 I developed the servicing and cleaning manuals. 25 I was assigned to various specific problems. 10:19:45</p>
<p>10 1 A. It was headquartered in New York 2 City at the railroad's headquarters, but my 3 personal headquarters shifted from Detroit to 4 Indianapolis to Philadelphia with stints in New 5 York and various other locations. 10:17:42</p> <p>6 Q. You were doing your work from 7 Chicago mainly?</p> <p>8 A. No, I was not doing my work from 9 any one location. I was assigned to various 10 places to both give me breadth and depth of 10:17:52 11 geography as well as function.</p> <p>12 Q. And you did that throughout your 13 year at Northwestern?</p> <p>14 A. No. This was following graduation 15 from Northwestern in 1967. 10:18:04</p> <p>16 Q. So you didn't work while you were 17 at Northwestern?</p> <p>18 A. That's correct.</p> <p>19 Q. Following that employment, what did 20 you do? 10:18:15</p> <p>21 A. Upon graduation from the program, I 22 was assigned as project engineer for passenger 23 equipment for the then merged Penn Central 24 Transportation Company.</p> <p>25 Q. So you started with the company 10:18:29</p>	<p>12 1 For instance, a regulatory body would make note 2 of deficiencies in the cars and it was my 3 responsibility to ensure that they were 4 corrected.</p> <p>5 We did fleet planning for future 10:20:01 6 acquisitions. I kept track of fleet numbering 7 and assigned numbers to cars. At the time, the 8 high-speed program in the Northeast was coming 9 alive. It was my responsibility to determine 10 which cars were suitable for high-speed 10:20:18 11 operation at 100 miles an hour. And then there 12 were numerous other ancillary roles, but mine 13 was strictly maintenance support for the fleet 14 and for the people that maintained it.</p> <p>15 Q. For the fleet of passenger cars? 10:20:34</p> <p>16 A. That's correct.</p> <p>17 Q. What did you do next?</p> <p>18 A. At that point, I was loaned by the 19 trustees of Penn Central, which by then had 20 entered bankruptcy, to the incorporators of 10:20:47 21 what was known as Railpax and would later 22 become known as Amtrak National Railroad 23 Passenger Corporation. That loan was to permit 24 me to work for the incorporators on one of the 25 teams that inspected railway cars and 10:21:04</p>

<p>1 locomotives throughout the U.S. and determine 2 which ones to acquire for Amtrak's initial 3 fleet. I did that for approximately six months 4 and then went back to my position at Penn 5 Central as passenger equipment maintenance 10:21:22 6 officer. Or project engineer, actually. I 7 spent three more months there, and at that 8 point resigned to go to work for Amtrak as a 9 full-time officer, general superintendent of 10 operations planning. That would have been in 10:21:40 11 August of 1971. 12 Q. What was your next employment? 13 A. Following that, my role was to 14 change to general superintendent of equipment 15 performance. And following that, approximately 10:21:55 16 April '72, I left Amtrak and formed my own 17 independent consulting company. 18 Q. That's PTSI? 19 A. It became PTSI at that point. It 20 was a one-man operation simply known as Michael 10:22:11 21 R. Weinman, Passenger Transportation 22 Specialist. At the point in which we took in 23 other people, the word "specialist" became 24 plural. And at the point at which we were 25 incorporated, approximately 1990 - 1985, it 10:22:26</p>	<p>13 1 as in-house consultant to Illinois was 2 interrupted by the need to investigate for the 3 state the October 1972 accident on the Illinois 4 Central Railroad in which two passenger trains 5 collided with considerable loss of life and 10:24:07 6 accident -- and both property and personal 7 damage. 8 Q. You were looking at the cause of 9 that accident? 10 A. That's correct. 10:24:16 11 Q. And you did this work for the 12 Illinois Department of Transportation? 13 A. Yes. 14 Q. As a -- an independent contractor? 15 A. More or less. 10:24:25 16 Q. You weren't employed by the State 17 of Illinois, were you? 18 A. I was not a state employee. I was 19 considered an employee in terms of being 20 provided office space and working virtually 10:24:36 21 full-time for them, but I was paid as an 22 independent consultant. 23 Q. And was it just you or did you have 24 employees that worked for you? 25 A. No. It was just me. 10:24:47</p>
<p>14 1 became known as Passenger Transportation 2 Specialists, Inc., which the name continues to 3 go by, however, we do business as PTSI 4 Transportation. 5 Q. Okay. Can we refer to PTSI as -- 10:22:42 6 can we use that name to refer to that company 7 from the time you formed it? 8 A. Certainly. 9 Q. When you first formed the -- when 10 you left the employment with the railroad and 10:23:01 11 you formed your own business, what was the 12 business -- what was the goal of the business? 13 What was it designed to do? 14 A. The very first role was as in-house 15 consultant to the Illinois Department of 10:23:13 16 Transportation, working for the director of 17 Public Transportation and the assistant 18 secretary of Transportation. I helped set up 19 the Illinois passenger train program which has 20 evolved into a very supportive program in which 10:23:29 21 many Amtrak trains in Illinois are sponsored. 22 At the time we had one train being sponsored by 23 the state, and I believe it was the very first 24 state-sponsored train anywhere. The program 25 grew to several. The approximate year I spent 10:23:46</p>	<p>16 1 Q. And after that -- well, how long 2 did that stint last with where you were doing 3 the work? 4 A. A year. 5 Q. Did you have any other work for any 10:24:56 6 other customers during that period of time, or 7 was it just -- 8 A. No. We had indications that that 9 would be feasible, but none because my 10 employment was full-time with Illinois. 10:25:08 11 Q. Did there come a time -- well, tell 12 me, how did the company progress then? What 13 was the next thing that the company did? 14 A. At the point at which it no longer 15 was feasible to work with Illinois, the 10:25:22 16 opportunity to expand as an independent 17 consultant became evident and I believe my 18 first client apart from Illinois was the State 19 of Michigan, or one of its public agencies that 20 operated commuter trains in the Detroit area. 10:25:40 21 And from there I also got a contract to assist 22 Louis T. Klauder & Associates in the proposal 23 to and later the specification of the design of 24 the Amtrak Superliner cars. And from those 25 clients, the base expanded to its current 10:26:02</p>

4 (Pages 13 to 16)

17

1 status.

2 Q. I'm not going to ask you about each

3 individual piece of work that you've done.

4 You've provided us with your CV. The -- your

5 CV provides a number of jobs that you've done 10:26:18

6 on behalf of PTSI, correct?

7 A. Yes, and in all there are several

8 hundred.

9 Q. Okay. Did there come a time when

10 you -- well, strike that. 10:26:30

11 Are you the sole employee of PTSI

12 or are there other employees?

13 A. PTSI has no employees per se. PTSI

14 is a company which depends entirely on

15 independent contractors, including myself, who 10:26:43

16 come together as the need arises. We have a

17 roster of experts which have worked for us over

18 the years in various disciplines and will

19 always work for us when we have a job that

20 suits their needs and their expertise and their 10:27:01

21 availability and interest. So it's more or

22 less a roster of independent experts who come

23 together under the PTSI Transportation banner.

24 Q. Do those people provide consulting

25 work for other companies as well or just for 10:27:20

18

1 PTSI?

2 A. Some do and some don't.

3 Q. So you have some that are exclusive

4 and some that are not?

5 A. That's correct. 10:27:29

6 Q. You have contracts with the ones

7 that are exclusive?

8 A. All of our contracts are simply a

9 handshake.

10 Q. Your -- you derive -- do you derive 10:27:35

11 100 percent of your income from the work that

12 you do for PTSI?

13 A. Virtually.

14 Q. Are there others that are in that

15 same situation? 10:27:48

16 A. There may be. I'm not sure.

17 Q. I'm just trying to get a sense of

18 how the company operates from an employment

19 standpoint. I want to know how many people are

20 involved with your operation. 10:28:03

21 A. How many?

22 Q. Yeah.

23 A. Oh, I would say our roster is

24 approximately 20 people, and at any given time

25 there may be from three to ten working. 10:28:11

19

1 Q. So the entire roster of people are

2 not working full-time --

3 A. That's correct.

4 Q. -- for PTSI?

5 A. Virtually no one is working 10:28:23

6 full-time except myself.

7 Q. And has it been that way since the

8 company started?

9 A. No. It was that way since the

10 company expanded. Originally, it was just 10:28:32

11 myself and, as I indicated, it expanded

12 gradually. It was incorporated approximately

13 1985 and expanded somewhat after that.

14 Q. Okay. I may have asked the

15 question incorrectly. What I wanted to know 10:28:47

16 was since the time the company started, are you

17 the only person that's devoted full-time

18 attention to work with PTSI?

19 A. No. Over the years, one or two

20 others have devoted full-time to it. 10:28:57

21 Q. Okay. Who would be the others?

22 A. At one point, Theodore Ehrlich in

23 New Jersey was a full-timer and John Hedrick

24 currently in Texas was a full-timer. And there

25 may be others, but for the specific assignment 10:29:15

20

1 we were engaged full-time and at some point the

2 others departed to their other employment or

3 other interests. And currently it's just

4 myself as full-time; however, we do have two

5 office staff who devote the lion's share of 10:29:35

6 their time to our company.

7 Q. Who are the office staff people?

8 A. We have an office administrative

9 manager, Nancy Nalbandion, Ph.D., and we have a

10 research librarian, Charles H. Bode. While 10:29:50

11 these people do not devote 100 percent of their

12 time to PTSI, they do devote a majority of

13 their time to it.

14 Q. Okay. So when you need those

15 people to work for you, you call them up and 10:30:04

16 you say I need to you do something and they do

17 it?

18 A. Basically, we do it that way or we

19 give them a schedule for the next week or two

20 and they try to conform to it. 10:30:14

21 Q. They're not salaried employees that

22 work full-time?

23 A. No. We have no salaried employees

24 whatever.

25 Q. Are you -- do you own 100 percent 10:30:21

<p>1 of PTSI? 21</p> <p>2 A. I do.</p> <p>3 Q. Nobody else has any piece of it?</p> <p>4 A. Not at this point.</p> <p>5 Q. Has anybody? 10:30:32</p> <p>6 A. No, but there may be a change in</p> <p>7 the future. We've studied the possibility of</p> <p>8 distributing and disseminating the ownership.</p> <p>9 Q. The roster that you have of -- do</p> <p>10 you call them consultants? 10:30:52</p> <p>11 A. Sometimes.</p> <p>12 Q. That roster, is it -- do you have a</p> <p>13 copy of it?</p> <p>14 A. Not with me. We have a copy in the</p> <p>15 office. 10:31:02</p> <p>16 Q. So it's a physical document?</p> <p>17 A. Yes, it is. It's both an</p> <p>18 electronic and a paper document. It's changing</p> <p>19 every few months.</p> <p>20 Q. Are there historical copies of it? 10:31:12</p> <p>21 A. I'm not sure.</p> <p>22 Q. In other words, would I be able to</p> <p>23 tell who was working on a project at any given</p> <p>24 point in time?</p> <p>25 A. Well, you might be able to tell 10:31:22</p>	<p>1 perhaps. 23</p> <p>2 Q. Do you derive any income from any</p> <p>3 source other than PTSI?</p> <p>4 A. From time to time I've had some</p> <p>5 stock holdings. 10:32:44</p> <p>6 Q. Aside from investments, do you</p> <p>7 derive any income from any source other than</p> <p>8 PTSI?</p> <p>9 A. Not to my knowledge. I'm not 100</p> <p>10 percent sure that I haven't in the past few 10:33:02</p> <p>11 years, but there would be no significant</p> <p>12 sources.</p> <p>13 Q. Since you started the consulting</p> <p>14 business, have you devoted 100 percent of your</p> <p>15 time to the business? 10:33:12</p> <p>16 A. Yes.</p> <p>17 Q. How would you describe -- if a</p> <p>18 client came to you today, how would you</p> <p>19 describe the work that PTSI does?</p> <p>20 A. I would suggest that we do all 10:33:36</p> <p>21 manner of studies and assistance and advisories</p> <p>22 in the area of passenger transportation,</p> <p>23 primarily by rail, and some studies assistance</p> <p>24 and advisories in freight transportation or</p> <p>25 general transportation or urban Metropolitan 10:34:00</p>
<p>1 from the financial records of that project 22</p> <p>2 because we would bill for each professional's</p> <p>3 time, but I don't think you could tell from</p> <p>4 that roster because that roster is simply a</p> <p>5 list of names and contacts. 10:31:34</p> <p>6 Q. I see.</p> <p>7 Can you give me a sense of the size</p> <p>8 of your company? Is it -- well, strike that.</p> <p>9 What -- the most current year that</p> <p>10 you would have financials for, what were the 10:31:46</p> <p>11 revenues of your company?</p> <p>12 A. I would have to guess, but I would</p> <p>13 say in the vicinity of 100 to \$200,000 for the</p> <p>14 most recent year.</p> <p>15 Q. And how many projects would that 10:32:04</p> <p>16 encompass?</p> <p>17 A. Probably five or six.</p> <p>18 Q. Is there any kind of an average</p> <p>19 number of projects that you've done over the</p> <p>20 years since the beginning? 10:32:18</p> <p>21 A. I would suspect that average is</p> <p>22 perhaps closer to ten.</p> <p>23 Q. The year that you have five or six,</p> <p>24 it's a bigger project, generally?</p> <p>25 A. Not necessarily. A week or a year 10:32:31</p>	<p>1 Transportation. 24</p> <p>2 Q. Have you ever provided consulting</p> <p>3 work on transportation issues not related to</p> <p>4 passenger transportation?</p> <p>5 A. Yes. 10:34:14</p> <p>6 Q. Prior to the starting -- start-up</p> <p>7 of your consulting business, did you provide --</p> <p>8 did you do any work in areas other than</p> <p>9 passenger transportation?</p> <p>10 A. Yes. 10:34:31</p> <p>11 Q. Okay. Tell me about those.</p> <p>12 A. With the New York Central, I was</p> <p>13 heavily involved with freight transportation</p> <p>14 with SEPTA, SEPACT. I was involved with</p> <p>15 Metropolitan Transportation. 10:34:45</p> <p>16 Q. Tell me what you did on the freight</p> <p>17 side with New York Central.</p> <p>18 A. In my training program, I was to</p> <p>19 study and learn and serve as a train operations</p> <p>20 operating officer or an engineering officer or 10:35:01</p> <p>21 a mechanical officer involved in the production</p> <p>22 of freight transportation throughout the</p> <p>23 northeastern United States.</p> <p>24 Q. And in your work with PTSI, have</p> <p>25 you done any consulting work on freight issues? 10:35:18</p>

6 (Pages 21 to 24)

25

1 A. Yes, we have.

2 Q. For who?

3 A. Among others, Wisconsin Central and

4 the Association of American Railroads, Chicago

5 Transportation coordination office. 10:35:34

6 Q. Any others?

7 A. There may be. Those are the two

8 that come to mind most quickly.

9 Q. What did you do for Wisconsin

10 Central? 10:35:44

11 A. We implemented a guide to be used

12 for training of operating employees for route

13 familiarization and we implemented a speed

14 bulletin system which aggregated speed

15 restrictions and other operating restrictions 10:36:04

16 in a computer program. We did a similar job

17 for the Belt Railway Company of Chicago.

18 Q. How about for the Association of

19 American Railroads?

20 A. We aggregated freight train 10:36:21

21 schedules throughout the Chicago area and put

22 them into a user-friendly format.

23 Q. Have you, in the course of your

24 work, prior to the start of your consulting

25 business, did you -- did you do any work that 10:36:46

26

1 analyzed the financial records of railroads?

2 A. From time to time, we would have to

3 look over financial records, but it was not a

4 major part of our activities.

5 Q. Did you have to interpret them? 10:37:03

6 A. From time to time.

7 Q. Are you qualified to interpret

8 financial records?

9 A. I'm not sure that I can answer

10 that. 10:37:16

11 Q. Are you an economist?

12 A. No.

13 Q. Are you an accountant?

14 A. No.

15 Q. Do you have any training in 10:37:21

16 economics?

17 A. Yes.

18 Q. Tell me about that.

19 A. During the course of the

20 undergraduate and a graduate degree in business 10:37:28

21 and transportation, I took various courses in

22 both economics and accounting.

23 Q. Did you -- let's talk about post,

24 or the time frame after you started your

25 consulting business. 10:37:51

27

1 Have you done any work that

2 analyzed financial statements of railroads?

3 A. No, I wouldn't say that we analyzed

4 any financial statements. We've simply used

5 financial statements as references in research. 10:38:02

6 Q. Have you done any work on the labor

7 relations side of the railroad?

8 A. During my training program, I spent

9 some time in the Labor Relations Department,

10 but I would not consider it a major expenditure 10:38:33

11 of time.

12 Q. How about after that point in time?

13 A. Not to any major degree.

14 Q. Have you ever -- well, let me ask

15 you this: Do you believe that you are an 10:38:51

16 expert in the economics of a railroad?

17 A. There may be certain areas of the

18 economics of railroads in which my expertise

19 and my company's expertise is considered 10:39:09

20 present; however, we are not transportation

21 economists per se.

22 Q. What areas would those be?

23 A. What areas?

24 Q. What areas do you believe you have

25 expertise in economics? You said you believed 10:39:21

28

1 that there were some areas.

2 A. Yes.

3 Q. I'm asking which ones.

4 A. Oh, the economics of passenger

5 trains and passenger train operations. 10:39:32

6 Q. How about the economics of freight

7 operations?

8 A. We are not unfamiliar with that,

9 but would not be considered experts in it.

10 Q. Are there other people out there 10:39:46

11 that are experts in that?

12 A. I'm sure there are.

13 Q. Are you familiar with any?

14 A. Yes.

15 Q. Who would those be? 10:39:55

16 A. One firm that I've known over the

17 years that considers themselves to be true

18 railroad economists and have a distinguished

19 record is R.L. Banks & Associates --

20 B-A-N-K-S -- of Washington, D.C. 10:40:10

21 Q. Have you consulted with them on

22 this matter?

23 A. No, I have not.

24 - - - - -

25 (Thereupon, Plaintiffs' Deposition

<p>29</p> <p>1 Exhibit 1 was marked for purposes of 2 identification.) 3 - - - - - 4 Q. Sir, I've handed you a document 5 which we marked as Exhibit - Plaintiff's 10:41:43 6 Exhibit 1. Do you see that document? 7 A. Yes. 8 Q. Just for the record, I just want to 9 note on the bottom right-hand side it's got a 10 number in the right-hand corner that says PCC 10:41:53 11 003887. Do you see that? 12 A. Yes. 13 Q. And there are a number of -- we 14 refer to those as Bates numbers. There are a 15 number of those. There's a number on each one 10:42:08 16 of those pages that follows. Do you see that? 17 A. Yes. 18 Q. In the set that I've given you, it 19 ends at PCC 003939. Do you see that? 20 A. Yes. 10:42:18 21 Q. Okay. Can you identify this 22 document? 23 A. PCC 003939 is an excerpt of a 24 report that we prepared for Blank Rome which in 25 turn is an excerpt from a book written by Fred 10:42:40</p>	<p>31</p> <p>1 Q. Okay. If you could go to -- go to 2 the page that's marked PCC 003892. Should be 3 about four or five pages in. 4 A. Yes. 5 Q. Do you see that? 10:44:00 6 A. Yes, I do. 7 Q. Okay. And immediately preceding 8 that page is a cover sheet where it says "A 9 brief review of intercity railroad passenger 10 traffic in Cleveland, Ohio" -- or Cleveland, 10:44:11 11 OH -- "and North America between World War II 12 and 1971." Do you see that? 13 A. Yes. 14 Q. Is it true that the page that's 15 marked PCC 03892 is your report and the other 10:44:26 16 information that follows is the backup data for 17 that report? 18 A. No, that's incorrect. 19 Q. How is that incorrect? 20 A. This page and the pages immediately 10:44:39 21 following were part of an initial review that 22 was completed for Blank Rome early in our 23 service for them to essentially demonstrate the 24 type of data and information we were capable of 25 of producing. It gave some information, but 10:44:59</p>
<p>30</p> <p>1 Frailey, F-R-A-I-L-E-Y, regarding the preAmtrak 2 passenger train operations in the United 3 States. 4 Q. Okay. Let's go back for a second. 5 Why don't you start at the front end of the 10:42:56 6 set. 7 The first page says Report on 8 Passenger Trains at Cleveland Union Terminal 9 September 2007, then there are a number of 10 pages that follow that. 10:43:07 11 The first page, the cover sheet, 12 did you prepare that? 13 A. Yes. 14 Q. You were asked to provide a report 15 on passenger trains at Cleveland Union 10:43:20 16 Terminal? 17 A. That's correct. 18 Q. The pages that follow include your 19 report, do they not? 20 A. They certainly appear to be 10:43:33 21 excerpted from the report that we submitted to 22 Blank Rome. I have not looked through them to 23 ensure that every page is here. Certainly, 24 this does not include some of the pages which 25 were backup data. 10:43:47</p>	<p>32</p> <p>1 invariably this information has been 2 incorporated and/or augmented by the 3 information following this brief report. 4 Q. Other than the brief report that's 5 at 3892, have you provided any other report to 10:45:20 6 Blank Rome? 7 A. Yes, the entire document from which 8 this was extracted. 9 MR. HART: We're going to -- why 10 don't we take a quick break. 10:45:46 11 MR. STEWART: Sure. 12 (Off the record.) 13 - - - - - 14 (Thereupon, Plaintiffs' Deposition 15 Exhibit 2 was marked for purposes of 16 identification.) 17 - - - - - 18 Q. Mr. Weinman, I'm going to hand you 19 what we've marked as Exhibit 2. Just for your 20 knowledge, it's the whole report. Or it's the 10:51:45 21 whole set of blue binders. It starts with 22 Bates page number 3887 and ends with Bates 23 number 4089. Can you confirm that, sir? 24 A. It certainly appears to be. 25 Q. Okay. Tell me what Exhibit 2 is. 10:52:07</p>

8 (Pages 29 to 32)

<p>33</p> <p>1 A. This is the bulk of the report that</p> <p>2 we prepared for Blank Rome, including our</p> <p>3 initial report previously discussed and</p> <p>4 research to amplify that material and to expand</p> <p>5 upon passenger train operations at Cleveland. 10:52:28</p> <p>6 Q. Did you provide any other reports</p> <p>7 to Blank Rome?</p> <p>8 A. No other reports. We did, however,</p> <p>9 provide one or two extra pages that I believe</p> <p>10 you've been provided, and those would be a list 10:52:41</p> <p>11 of when the last passenger trains were</p> <p>12 discontinued serving Cleveland. That was one</p> <p>13 page. And a summary of the source data for</p> <p>14 this report which more or less is an</p> <p>15 accompanying index to it. 10:53:01</p> <p>16 Q. The exhibit that you have in front</p> <p>17 of you, part of that is a report and part of</p> <p>18 that is backup data; is that true?</p> <p>19 A. Yes.</p> <p>20 Q. Can you identify for me what part 10:53:12</p> <p>21 of Exhibit 2 is your report using the Bates</p> <p>22 numbers, if you would?</p> <p>23 A. Yes.</p> <p>24 Q. Take your time. We're not in any</p> <p>25 rush here. Whatever you need. 10:53:41</p>	<p>35</p> <p>1 this particular case?</p> <p>2 A. I believe it was in June of 2007.</p> <p>3 Q. Who contacted you?</p> <p>4 A. Mr. Groppe.</p> <p>5 Q. That was by telephone? 10:55:41</p> <p>6 A. Yes.</p> <p>7 Q. He called you?</p> <p>8 A. Yes.</p> <p>9 Q. What did he say?</p> <p>10 A. He inquired if we had expertise in 10:55:47</p> <p>11 Penn Central passenger train operations and the</p> <p>12 specific operations in and around Cleveland,</p> <p>13 based on contact he had had with a</p> <p>14 Mr. Holtzweiss in Texas.</p> <p>15 Q. What did he tell you about 10:56:10</p> <p>16 Mr. Holtzweiss?</p> <p>17 A. He didn't tell me anything about</p> <p>18 Mr. Holtzweiss.</p> <p>19 Q. How did you know that he was</p> <p>20 calling you in relation to Mr. Holtzweiss in 10:56:20</p> <p>21 Texas?</p> <p>22 A. Mr. Holtzweiss is the curator of</p> <p>23 the George Bush Library and had previously</p> <p>24 contacted me in regard to Penn Central</p> <p>25 historical material. We provided this material 10:56:35</p>
<p>34</p> <p>1 A. You could generally categorize our</p> <p>2 report as starting from the beginning and</p> <p>3 continuing to page PCC 003967. Material beyond</p> <p>4 that is source data.</p> <p>5 Q. Okay. Could you go to page 3899? 10:54:07</p> <p>6 A. Yes.</p> <p>7 Q. Do you consider that to be part of</p> <p>8 your report?</p> <p>9 A. Yes, I do.</p> <p>10 Q. And those are -- part of that is an 10:54:20</p> <p>11 e-mail from Mr. Groppe?</p> <p>12 A. That's correct.</p> <p>13 Q. And you consider his e-mail to be</p> <p>14 part of your report?</p> <p>15 A. Yes. That frames the questions 10:54:31</p> <p>16 that were answered on subsequent pages.</p> <p>17 Q. The page that's marked 3892, can</p> <p>18 you go to that?</p> <p>19 A. Yes.</p> <p>20 Q. Is that the only narrative report 10:54:50</p> <p>21 that you have in here, narrative portion other</p> <p>22 than the responses to Mr. Groppe's e-mail?</p> <p>23 A. That would be correct.</p> <p>24 Q. Why don't we start at the</p> <p>25 beginning. When were you first contacted about 10:55:26</p>	<p>36</p> <p>1 for Mr. Holtzweiss, and I presume that</p> <p>2 Mr. Holtzweiss in turn spoke with Blank Rome</p> <p>3 and at some time in that conversation the name</p> <p>4 of PTSI Transportation came up as a potential</p> <p>5 source. 10:56:55</p> <p>6 Q. Is that what Mr. Groppe told you?</p> <p>7 A. That's correct.</p> <p>8 Q. Did Mr. Groppe tell you what the</p> <p>9 case was about?</p> <p>10 A. Yes, he did. 10:57:07</p> <p>11 Q. What did he tell you?</p> <p>12 A. He indicated that a number of Penn</p> <p>13 Central employees were litigants in regard to</p> <p>14 positions that had been abolished in the 1968</p> <p>15 era. 10:57:27</p> <p>16 Q. Did he tell you anything else?</p> <p>17 A. I'm sure he gave details.</p> <p>18 Q. Any that you can remember?</p> <p>19 A. We discussed what type of positions</p> <p>20 these were and the fact that they were 10:57:41</p> <p>21 primarily passenger-related positions. And</p> <p>22 that would be about the extent of our initial</p> <p>23 conversations.</p> <p>24 Q. Did you have another conversation</p> <p>25 after that first one in June? 10:57:56</p>

<p>1 A. Yes, we certainly did. 37</p> <p>2 Q. When was the next one?</p> <p>3 A. I can't tell you exactly what date,</p> <p>4 but they progressed to fairly regular</p> <p>5 conversations in regard to the progress of this 10:58:07</p> <p>6 work.</p> <p>7 Q. At some point in those</p> <p>8 conversations, it was agreed that you would do</p> <p>9 work on this matter?</p> <p>10 A. Yes. 10:58:19</p> <p>11 Q. And was it at that time that you</p> <p>12 were given your instructions on what to do?</p> <p>13 A. Yes.</p> <p>14 Q. And what were you instructed to do?</p> <p>15 A. We were instructed to research 10:58:29</p> <p>16 passenger train operations in and around</p> <p>17 Cleveland and nationally in the era of 1968 and</p> <p>18 that part of the preceding years relative to</p> <p>19 1968 and that part of the following years also</p> <p>20 relevant to it. 10:58:53</p> <p>21 Q. When you say you were asked to</p> <p>22 research passenger train information, what</p> <p>23 specifically were you asked to look at?</p> <p>24 A. The environment which would have</p> <p>25 led to positions being abolished in Cleveland 10:59:07</p>	<p>1 have information in our work that indicates why 39</p> <p>2 positions might have been abolished, but we do</p> <p>3 not at any time relate that to individuals.</p> <p>4 Q. Do you -- are you capable of</p> <p>5 providing that analysis, the analysis of why a 11:00:37</p> <p>6 specific individual was furloughed?</p> <p>7 A. My general response would have to</p> <p>8 be that all furloughs, all abolitions would</p> <p>9 have been subject to labor agreements, and that</p> <p>10 would be the sole reason. It would be in 11:00:55</p> <p>11 compliance with whatever applicable labor</p> <p>12 agreement was relevant to that class of</p> <p>13 employee.</p> <p>14 Q. My question is a little bit more</p> <p>15 specific. If I were to give you the name of an 11:01:09</p> <p>16 individual, could you determine why that</p> <p>17 particular individual was furloughed?</p> <p>18 A. I doubt it very much.</p> <p>19 Q. That's just not one of the</p> <p>20 functions of your company? 11:01:20</p> <p>21 A. No. We would not and generally</p> <p>22 have not gotten into anything specific to</p> <p>23 individuals.</p> <p>24 Q. Tell me the years, the years or the</p> <p>25 date that you looked at. You mentioned 1968. 11:01:55</p>
<p>1 and the environment of the entire U.S. 38</p> <p>2 passenger railroad industry as background for</p> <p>3 that.</p> <p>4 Q. From a general perspective or</p> <p>5 specific as to these particular employees? 10:59:25</p> <p>6 A. No. From a general perspective and</p> <p>7 one related to the area, not to specific</p> <p>8 employees.</p> <p>9 Q. Were you asked to provide any</p> <p>10 information as to the specific plaintiffs in 10:59:39</p> <p>11 this case?</p> <p>12 A. No.</p> <p>13 Q. Are you capable of doing that?</p> <p>14 A. I don't know.</p> <p>15 Q. Do you have any information related 10:59:56</p> <p>16 to the specific plaintiffs in this case?</p> <p>17 A. Whatever information we have that</p> <p>18 might be relevant to that would be contained in</p> <p>19 this report.</p> <p>20 Q. No other information? 11:00:07</p> <p>21 A. No.</p> <p>22 Q. Do you have any information which</p> <p>23 tells you specifically why individuals were</p> <p>24 furloughed?</p> <p>25 A. Not on an individual basis. We 11:00:21</p>	<p>1 Were there other years? 40</p> <p>2 A. Yes. The date, it goes back</p> <p>3 generally to World War II; however, there are</p> <p>4 some data that even precede that. I believe as</p> <p>5 far back as the '30s, and they continue up 11:02:08</p> <p>6 until the Amtrak era, which was effectively May</p> <p>7 1st, 1971 and on.</p> <p>8 Q. Is it fair to say that you were</p> <p>9 asked to look at the passenger conditions in</p> <p>10 the United States to give an analysis of why 11:02:29</p> <p>11 there may have been a decline in passenger</p> <p>12 service?</p> <p>13 A. Yes, that would be a fair</p> <p>14 statement.</p> <p>15 Q. And your response to that is what's 11:02:39</p> <p>16 contained on page 3892 that tells us what</p> <p>17 your -- what your findings were; is that true?</p> <p>18 A. That's part of our response.</p> <p>19 Q. If I were to -- if I wanted to</p> <p>20 know -- if I asked you the question and that 11:02:59</p> <p>21 Mr. Groppe asked you and told you to come back</p> <p>22 and tell me, give me an analysis of the</p> <p>23 passenger traffic in Cleveland, and you didn't</p> <p>24 give me page 3892, you gave me all the backup</p> <p>25 data, would I be able to decipher what your 11:03:24</p>

10 (Pages 37 to 40)

41

1 thoughts were? Would you expect that?

2 A. I can't suggest what you could or

3 couldn't do. I can tell you that most people

4 of a professional nature could easily wade

5 through this data and conclude what was going 11:03:42

6 on in that era.

7 Q. Does page 3892 summarize what

8 follows it?

9 A. To a certain extent.

10 Q. Does it do anything else? 11:03:53

11 A. It may well. I'm not sure.

12 Q. What was your intent? Was that

13 your intent to summarize your findings in page

14 3892?

15 A. Our intent in this was to summarize 11:04:08

16 the situation and to summarize our capabilities

17 to Blank Rome.

18 Q. When you say this, are you

19 referring to that specific page 3892?

20 A. I'm referring to page 3892 and the 11:04:21

21 pages of the preliminary report taken together.

22 Q. What was the intent of -- what was

23 your intent in preparing page 3892? What were

24 you intending to do with that document?

25 A. Again, to summarize the passenger 11:04:38

42

1 train situation and to summarize the source

2 material and capabilities that PTSI

3 Transportation could bring to bear for Blank

4 Rome.

5 Q. Now, if you would, go to page 3899. 11:04:52

6 And is that an e-mail -- the top part of that

7 looks like there may be two e-mails on that

8 page. One is -- one looks like it's from

9 Mr. Groppe to -- would that be to you? Is that

10 your e-mail, PTSI Transport at aol.com? 11:05:30

11 A. That's correct.

12 Q. And then the bottom half looks

13 like -- and that one is dated 8-20 of '07,

14 correct?

15 A. Yes. 11:05:40

16 Q. The bottom half is looks like it's

17 sent from you to Mr. Groppe a couple days

18 earlier. That was on August 18 of '07,

19 correct?

20 A. Yes, 11:05:49

21 Q. I only see two lines on the e-mail

22 that you sent. Is that -- was that the

23 entirety of that e-mail?

24 A. No. I believe there was further

25 information on it. It was sent precedent to 11:06:03

43

1 the 8-20, of course. And Mr. Groppe apparently

2 responded to this by sending the 8-20 e-mail.

3 Q. Do you maintain your August 18

4 e-mail? Do you have a copy of that still?

5 A. I may have a copy, but I certainly 11:06:25

6 don't have it with me.

7 Q. If you have a copy, it would be

8 back at your office?

9 A. If it exists at all, it would

10 either be back in the office or it may well, of 11:06:33

11 course, be in Mr. Groppe's possession since it

12 was sent to him.

13 Q. Do you remember the gist of what

14 you were saying in this e-mail?

15 A. I believe it was just a perfunctory 11:06:45

16 response to the receipt of material for review.

17 Q. Now, the top e-mail, the e-mail

18 that we have a full copy of on 8-20-07, you

19 start out, you say, "You are correct that these

20 jobs were passenger positions." 11:07:08

21 Was that an issue with Mr. Groppe?

22 A. I simply asked Mr. Groppe if the

23 positions that were abolished were passenger or

24 freight.

25 Q. Why was that important to you? 11:07:20

44

1 A. To identify the nature of the

2 research that we were about to undertake.

3 Q. And how would it relate to that?

4 A. If, for instance, we were

5 misinterpreting the assignment and these were 11:07:35

6 all freight positions, then the work we were

7 about to undertake would have been essentially

8 wasted.

9 Q. You then say "Sorry that the info

10 did not relate more toward that end. I 11:07:50

11 basically sent the file as it was marked. A

12 decline of passenger service." I'm sorry. You

13 don't say that. Mr. Groppe says that to you,

14 correct?

15 A. That's correct. 11:08:07

16 Q. He then says to you, "I guess my

17 next question then would be what documents

18 would you need to prove the below-stated

19 issues," and then he has four issues that he

20 states. Do you see that? 11:08:22

21 A. Yes, I do.

22 Q. Did you see it as your job to prove

23 those issues?

24 A. I suspect we did, since Mr. Groppe

25 clearly says "what will you need to prove the 11:08:37

<p style="text-align: right;">45</p> <p>1 stated issues."</p> <p>2 Q. So you were being asked to -- at</p> <p>3 least with this e-mail, you were being asked by</p> <p>4 Mr. Groppe what information you would need to</p> <p>5 prove the issues that he's got? 11:08:48</p> <p>6 A. That's correct.</p> <p>7 Q. And then he lists four issues,</p> <p>8 correct?</p> <p>9 And then he goes on and he says,</p> <p>10 the last sentence before the "I look forward to 11:09:06</p> <p>11 hearing from you," it says, "So basically what</p> <p>12 are your thoughts on what information we have?</p> <p>13 What we are trying to prove and what</p> <p>14 information will we need to achieve our goal."</p> <p>15 Do you see that? 11:09:19</p> <p>16 A. Yes.</p> <p>17 Q. Let's take the middle part of that,</p> <p>18 "what we are trying to prove."</p> <p>19 What did Mr. -- what did you</p> <p>20 understand they were trying to prove? 11:09:25</p> <p>21 A. Well, based on these four questions</p> <p>22 and my conversations, there had indeed been a</p> <p>23 serious decline in passenger traffic nationally</p> <p>24 and through Cleveland.</p> <p>25 Q. Did you understand they were trying 11:09:41</p>	<p style="text-align: right;">47</p> <p>1 Mr. Groppe? Well, strike that.</p> <p>2 Did you convey it to Mr. Groppe?</p> <p>3 A. Yes. We conveyed the entire book</p> <p>4 to Mr. Groppe.</p> <p>5 Q. And how did you do that? 11:11:07</p> <p>6 A. I believe it was sent by Federal</p> <p>7 Express.</p> <p>8 Q. These responses that are -- that</p> <p>9 start on page 3900, those were provided when</p> <p>10 you provided the entire book that's Exhibit 2, 11:11:21</p> <p>11 or did those come -- did those go to Mr. Groppe</p> <p>12 separately?</p> <p>13 A. I believe they were provided in the</p> <p>14 book as you see Exhibit 2.</p> <p>15 Q. And they were never provided to 11:11:33</p> <p>16 Mr. Groppe -- or they were not provided to</p> <p>17 Mr. Groppe before he got the entirety of</p> <p>18 Exhibit 2?</p> <p>19 A. I believe that's correct.</p> <p>20 Q. Now, the first question at the top, 11:11:43</p> <p>21 or the first response I should say, and you're</p> <p>22 responding to Mr. Groppe's question and you</p> <p>23 phrase it as "Did Penn Central have a business</p> <p>24 decline that necessitated a furlough based on</p> <p>25 the Merger Protection Agreement MPA formula." 11:12:02</p>
<p style="text-align: right;">46</p> <p>1 to prove anything else?</p> <p>2 A. No.</p> <p>3 Q. And -- well, strike that.</p> <p>4 You then go on and provide</p> <p>5 responses, correct? 11:09:58</p> <p>6 A. Yes.</p> <p>7 Q. Now, on page PCC 003900 and 3901</p> <p>8 and 3902, are those your responses to the</p> <p>9 e-mail that Mr. Groppe sent you on August 20th?</p> <p>10 A. They are indeed. 11:10:18</p> <p>11 Q. So up at the top, when it says</p> <p>12 "response to Blank Rome questions," the</p> <p>13 questions up at the top on page 3900 where it</p> <p>14 says "response to Blank Rome questions," the</p> <p>15 questions are those that are in the e-mail, 11:10:31</p> <p>16 correct?</p> <p>17 A. That is correct.</p> <p>18 Q. There weren't other questions; is</p> <p>19 that true?</p> <p>20 A. There were not other questions. 11:10:36</p> <p>21 Q. When did you write this response?</p> <p>22 A. That would have been written</p> <p>23 between the 20th of August and approximately</p> <p>24 September 1st of 2007.</p> <p>25 Q. How did you convey it to 11:10:55</p>	<p style="text-align: right;">48</p> <p>1 Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. Now, had you read the Merger</p> <p>4 Protection Agreement?</p> <p>5 A. I have read it. 11:12:12</p> <p>6 Q. Prior to being asked the question</p> <p>7 by Mr. Groppe, had you read it?</p> <p>8 A. Yes.</p> <p>9 Q. When was the first time you read</p> <p>10 it? 11:12:20</p> <p>11 A. Probably in 1967.</p> <p>12 Q. What was the -- why did you read it</p> <p>13 in '67?</p> <p>14 A. Because I was an officer of one of</p> <p>15 the companies that merged to form Penn Central. 11:12:30</p> <p>16 Q. You were an officer of the company?</p> <p>17 A. That's correct.</p> <p>18 Q. What was your position?</p> <p>19 A. Operating management trainee.</p> <p>20 Q. And that made you an officer? 11:12:41</p> <p>21 A. That's correct.</p> <p>22 Q. Were you involved in the -- you</p> <p>23 weren't involved in the preparation of the</p> <p>24 Merger Protection Agreement, correct?</p> <p>25 A. No, I was not. 11:13:06</p>

12 (Pages 45 to 48)

49

1 Q. Let me give you that Agreement.
 2 - - - - -
 3 (Thereupon, Plaintiffs' Deposition
 4 Exhibit 3 was marked for purposes of
 5 identification.)
 6 - - - - -
 7 Q. Is the -- well, strike that.
 8 Can you identify what Exhibit 3 is?
 9 A. It appears to be the Merger
 10 Protection Agreement. 11:13:59
 11 Q. Now, is that attached to your
 12 report?
 13 A. No, it is not.
 14 Q. It's not one of the source
 15 documents you used to prepare your report? 11:14:12
 16 A. No, it is not.
 17 Q. Did you consider using it as a
 18 source document for your report?
 19 A. No. We read it and it was not
 20 especially germane to our mission. 11:14:31
 21 Q. Why not?
 22 A. Our mission was to determine the
 23 state of the passenger business. The Merger
 24 Protection Agreement doesn't really address the
 25 state of the passenger business, nor was it 11:14:45

50

1 intended to.
 2 Q. In your response you say, "The MPA
 3 formulae dealt only with freight indices. It
 4 was silent in regard to the passenger business
 5 which, according to most sources, was the 11:15:03
 6 single biggest cash outflow that Penn Central
 7 and many other railways had in this era." And
 8 then you go on there's another paragraph in
 9 that response.
 10 Is that accurate? 11:15:15
 11 A. That's correct.
 12 Q. Did you have freight information in
 13 order to use the MPA formula?
 14 A. I'm not sure I understand that
 15 question. 11:15:42
 16 Q. Okay. What did you mean when you
 17 said the MPA formulae dealt only with freight
 18 indices?
 19 A. The MPA protection, as we
 20 understand it, dealt with business levels and 11:15:54
 21 indices such as ton miles that do not have
 22 anything to do with passenger service.
 23 Q. At the bottom of -- there's a page
 24 that's marked as 4. The last paragraph, do you
 25 see that? It's not a full paragraph. It goes 11:16:24

51

1 on to the next page. But do you see that?
 2 A. I see the last paragraph.
 3 Q. Is that the formula that you were
 4 referring to?
 5 A. Yes. 11:16:33
 6 Q. Your report -- am I correct that
 7 your report does not address the issue of
 8 whether there was a business decline that
 9 necessitated a furlough based on the provision
 10 that you just read? 11:17:12
 11 A. That's correct.
 12 Q. You weren't asked to do that?
 13 A. That's correct, we were not.
 14 Q. You weren't.
 15 But you were 11:17:21
 16 asked -- you were asked if you -- you were
 17 asked to do that in the e-mail that Mr. Groppe
 18 sent you. That was his first issue, right?
 19 A. We were asked to comment on it.
 20 Q. Well, he says to you, "Did Penn 11:17:34
 21 Central have a business decline that
 22 necessitated a furlough based on Merger
 23 Protection Agreement formula." That's what you
 24 just -- that's the formula that you have in
 25 front of you? 11:17:44

52

1 A. That's correct.
 2 Q. So he's asking you whether -- is he
 3 not asking you whether there was a business
 4 decline that necessitated a formula or
 5 necessitated a furlough based on the formula in 11:17:53
 6 Exhibit 3?
 7 A. That's correct. And our response,
 8 of course, was that it couldn't be determined
 9 since this, the Merger Protection Agreement as
 10 presented here is Exhibit 3, is silent on the 11:18:06
 11 business of passenger service.
 12 Q. Is it -- it's not true that it
 13 couldn't be determined; isn't it more accurate
 14 to say that you couldn't -- you weren't
 15 prepared to do that? 11:18:21
 16 A. No. We would suspect that it could
 17 not be determined since there are no relevant
 18 standards in Exhibit 3 that deal with passenger
 19 service.
 20 Q. Could you -- there's a formula in 11:18:41
 21 Exhibit 3, correct?
 22 A. There appears to be, yes.
 23 Q. Theoretically, there would be data
 24 that could be input into that formula to get an
 25 answer as to whether -- as to whether it's been 11:18:56

53

1 complied with or not; isn't that true?

2 A. The answer would be yes if you were

3 asking with regard to freight issues and no if

4 you were asking in regard to passenger issues.

5 Q. No if you were asking in regard to 11:19:12

6 passenger issues because it doesn't deal with

7 passenger issues; is that what you're saying?

8 A. That's correct.

9 Q. Do you have the data to determine

10 whether the formula would necessitate a 11:19:33

11 furlough based on freight data?

12 A. No, we do not have any information

13 with regard to that.

14 Q. That's information that you don't

15 possess? 11:19:46

16 A. That's correct.

17 Q. You've not been given any

18 information to do that; is that true?

19 A. That's correct.

20 Q. Have you been asked to do that 11:19:51

21 subsequent to your report?

22 A. No.

23 Q. And you're not in the position --

24 is it true that you're not in the position to

25 determine whether the furloughs for any of the 11:20:09

54

1 individual plaintiffs would be justified based

2 on the paragraph that's in Exhibit 3?

3 A. That's correct, we are not in such

4 a position.

5 Q. Okay. And you're not -- and you're 11:20:25

6 not an expert in that area, are you?

7 A. Not in freight business areas.

8 Q. Have you been asked to provide any

9 additional reports on any issues?

10 A. None that haven't been discussed 11:20:48

11 here today.

12 Q. Are you working on any currently?

13 A. With regard to this case?

14 Q. Yes.

15 A. No. 11:20:57

16 Q. Have you been asked to work on

17 any --

18 A. No.

19 Q. -- regarding this case?

20 A. No. 11:21:02

21 Q. When did you deliver your report to

22 Blank Rome?

23 A. That would have been approximately

24 the first week in September.

25 Q. Of this year? 11:21:20

55

1 A. Yes.

2 Q. In your report, you talk about

3 passenger trains at the Cleveland Union

4 Terminal. Did you look at other yards other

5 than the CUT? 11:22:01

6 A. We looked at other stations with

7 regard to Cleveland besides CUT.

8 Q. Okay. Which ones?

9 A. Specifically the Pennsylvania

10 Railroad's main passenger terminal at the Lake 11:22:13

11 Front and later their suburban stop at Euclid

12 and 55th.

13 Q. Any others?

14 A. None that I can think of.

15 Q. In your -- on page -- in your 11:22:28

16 report on page 3892, you -- it says "a brief

17 review of intercity railroad passenger

18 traffic." Is there other -- are there other

19 types of passenger traffic other than

20 intercity? 11:22:45

21 A. Yes.

22 Q. What would those be?

23 A. May I amend my previous response

24 and add two stations other than that?

25 We considered a stop that was used 11:22:55

56

1 by the Amtrak Lake Shore in 1972, which was a

2 grade crossing somewhere west of CUT, Cleveland

3 Union Terminal; and we considered Lake Front

4 Stations such as the current Amtrak station.

5 We looked at those in addition to the 11:23:14

6 Pennsylvania Railroad stations previously

7 referenced.

8 Q. Okay.

9 A. Now returning to your current

10 question. 11:23:21

11 Q. Yeah. My question was what other

12 types of passenger traffic other than

13 intercity?

14 A. We could define metropolitan

15 passenger transportation such as light rail, or 11:23:30

16 Rapid Transit. As an example, the RTA

17 Cleveland red, green and blue lines; and you

18 could look at commuter service such as that

19 operated by Metro North Railroad in New York

20 out of Grand Central and many others; and you 11:23:50

21 could consider high-speed services on separate

22 rights-of-way such as the French TGV and the

23 German ICE services.

24 And then there remain intercity

25 services, which are generally those that go 11:24:06

14 (Pages 53 to 56)

<p style="text-align: right;">57</p> <p>1 longer distances than metropolitan or suburban 2 or commuter rail services, but are not on 3 dedicated rights-of-way. They use the freight 4 railway rights-of-way to a large extent as host 5 railroads and in some cases they're for the 11:24:24 6 general population of passenger travelers. In 7 some cases there are tour trains that are 8 operated for specific groups of travelers, 9 perhaps the luxurious or tourist scenery 10 destination-type market. 11:24:45 11 Q. Did you choose to limit your report 12 to the intercity aspect? 13 A. Generally, we did. 14 Q. Did Mr. Groppe ask you to do that? 15 A. No. 11:24:56 16 Q. Why did you choose to do that? 17 A. Because in 1968, in Cleveland, 18 those were the only types of passenger trains 19 being operated by Penn Central with the one 20 exception of an Erie-Lackawanna Railroad train 11:25:15 21 that was still entering Cleveland Union 22 Terminal, and that was by all nature a commuter 23 train, even though it at one time was the 24 remnant of an intercity train. 25 Q. Was your report limited to Penn 11:25:33</p>	<p style="text-align: right;">59</p> <p>1 Q. That's for the entire United States 2 for all railroads, correct? 3 A. That's correct. 4 Q. Now, for that statistic, the 5 revenue of passengers carried, do you have data 11:27:10 6 which shows that for Penn Central specifically? 7 A. I believe we do. 8 Q. And how about in '62 and '63 or '67 9 and '68? 10 A. I believe that's included in one of 11:27:28 11 the tables in our book. 12 Q. Do you know where that is? 13 A. I will search it out for you. I 14 believe you'll find that information on pages 15 marked PCC 003925 and 6. 11:28:09 16 MR. HART: Let me see what you're 17 looking at. Do you know why I would have two 18 Bates numbers that are on different documents? 19 Could we go off? 20 (Off the record.) 21 MR. HART: Exhibit 3 is a -- is a 22 set of -- the expert's report that was provided 23 to us by counsel for the defendants. 24 Defendant. It appears that there may be 25 another set of documents that bear the same 11:33:24</p>
<p style="text-align: right;">58</p> <p>1 Central or did it go beyond that? 2 A. We looked at all passenger train 3 operators into Cleveland during the time period 4 discussed. We did exclude interurban electric 5 railways and of course Metropolitan 11:25:59 6 Transportation. 7 Q. Could you go to page 3893? 8 A. Yes. 9 Q. Those are -- there's a heading at 10 the top that says North American Railroad 11:26:14 11 Passenger Statistics. Do you see that? 12 A. Yes. 13 Q. Is this a table that you prepared? 14 A. Yes. 15 Q. And the backup for this table, is 11:26:22 16 this provided to us? 17 A. I believe it has been. 18 Q. These are aggregate numbers, 19 correct, in the sense that they don't 20 differentiate between the various railroads? 11:26:41 21 A. That's correct. 22 Q. So, for example, you're using the 23 United States railroad revenue of passengers 24 carried. That's the middle, the middle column? 25 A. Yes. 11:26:53</p>	<p style="text-align: right;">60</p> <p>1 Bates numbers. 2 So, for example, what we've got 3 marked in the original Exhibit 3 as PC 003925 4 is a spreadsheet that -- and the next page is 5 also a spreadsheet that contains the 11:33:46 6 statistical data. Passenger statistical data. 7 The same Bates number appears on a portion of 8 what looks like a book that we've got. 9 So what that tells me is that there 10 are -- there's a duplicate set of original 11:34:08 11 Bates numbers on the wrong pages, if the right 12 pages are the book that's in front of the 13 witness. So I just wanted to -- if anyone's 14 reading this transcript, they know what's going 15 on with this particular record. You want us to 11:34:20 16 add anything, go right ahead. 17 THE WITNESS: You may want to 18 change that to Exhibit 2. 19 MR. HART: Exhibit 2. I'm sorry. 20 THE WITNESS: Instead of Exhibit 3. 11:34:29 21 MR. HART: Exhibit 2. I'm sorry. 22 MR. STEWART: Exhibit 2 is the blue 23 book. Yeah, he's got a copy of the blue book 24 with original Bates numbers on it. And there's 25 one that you have. And I believe that the blue 11:34:38</p>

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1 book, the blue book, the Bates numbers on the
 2 two sets of blue books are identical, but there
 3 may have been a mix-up because some documents
 4 were imaged in e-mails and I don't think the
 5 books were taken apart when they were copied. 11:34:54
 6 There were two separate books that were
 7 numbered.
 8 MR. HART: Okay. I just want
 9 somebody, whoever, if anybody's reading this
 10 transcript, they'll understand it. There may 11:35:03
 11 be -- at some point they could come up with
 12 another document that's got an original Bates
 13 sticker that doesn't match this book. I'm
 14 going to be using this book that's Exhibit 2
 15 and we're going to proceed on using that set of 11:35:13
 16 data. I'll give you the book back.
 17 Q. Sir, first page of that spreadsheet
 18 is what number?
 19 A. PCC 003925.
 20 Q. Okay. Now, that data is by year? 11:35:55
 21 A. Yes, it is.
 22 Q. Is there data contained in there
 23 that relates to New Haven?
 24 A. Yes, there is.
 25 Q. Where is that? 11:36:09

62

1 A. In the two right-hand columns.
 2 Q. For -- how about for '62 and '63
 3 for New Haven?
 4 A. No, we had no data for '62 and '63
 5 for the New Haven Railroad. 11:36:27
 6 Q. Is it -- without the New Haven data
 7 for '62 and '63, is it possible to compare data
 8 for the merged companies?
 9 A. I don't believe we had any
 10 information on the New York Central in '62 and 11:36:40
 11 '63 either, and so it would not be possible to
 12 make a comparison of the two as predecessors of
 13 the merged company for those two years.
 14 Q. Have you been asked to do that?
 15 A. No. 11:37:00
 16 Q. That's not something that you're
 17 working on presently, correct?
 18 A. That's correct.
 19 Q. Go back to page 3900, if you would.
 20 These are your responses again to the questions 11:37:32
 21 that Mr. Groppe asked you in August.
 22 Number 2, he asked you, "Did the
 23 trains passing through Cleveland Union Terminal
 24 decline over the years '62 to '72?" And you
 25 provided an answer there. Your answer is 11:37:46

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1 "Limited to passenger trains," correct?
 2 A. That is correct.
 3 Q. You didn't do an analysis for
 4 freight, correct?
 5 A. That is correct. 11:37:54
 6 Q. Now, number 3, you say -- he asked
 7 you, "Did both carriers prior to the merger
 8 experience a general business decline from 1962
 9 to 1968." Do you see that?
 10 A. Yes. 11:38:18
 11 Q. And your response was, "We cannot
 12 comment on general business conditions, as
 13 we've examined in detail; only the passenger
 14 revenues, ridership and operations." Then you
 15 go on. Do you see that? 11:38:28
 16 A. Yes.
 17 Q. Is that still your response to that
 18 question today?
 19 A. Yes.
 20 Q. And you've not been asked to do the 11:38:33
 21 analysis that would include the other types of
 22 revenues, correct?
 23 A. That's correct.
 24 Q. That would be freight, mail, et
 25 cetera? 11:38:51

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1 A. We encountered some mail revenue
 2 data incident to our search for passenger data,
 3 but other than the incident discovery of that
 4 information, we were not asked, nor did we
 5 actively seek to include it. 11:39:06
 6 Q. In your statement in number 3, you
 7 say that while you can't comment on the general
 8 business conditions because you only dealt with
 9 passenger information, did that -- the
 10 passenger side. Is it -- correct me if I'm 11:39:43
 11 wrong. You're saying the passenger side
 12 declined each year up to and immediately after
 13 the merger; is that what you're intending to
 14 say there at the end of that?
 15 A. Yes, that's correct. 11:39:52
 16 Q. Now, without the information for
 17 '62 and '63 that we just discussed, how can you
 18 make that statement for all years from '62 to
 19 '68?
 20 A. Well, we obviously can't comment on 11:40:07
 21 the extreme details of each year that we do not
 22 have data for, but projecting this data onto
 23 graphs and basing our opinion both on those
 24 graphs and on national data that we have, it's
 25 clear that there were no particular years in 11:40:27

16 (Pages 61 to 64)

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1 which revenues spiked for any reason. We know
 2 of no extreme conditions that would have
 3 mitigated a trend line that was in a secular
 4 decline.
 5 Q. So is it accurate to say you're 11:40:47
 6 extrapolating a trend line because you don't
 7 have that data for those years?
 8 A. In general, that's what we did.
 9 Q. Now, on number -- Question Number
 10 4, you say -- you're asked "How was CUT 11:41:04
 11 directly and negatively impacted by the Empire
 12 Service or any other force which would result
 13 in the decline of available jobs at CUT."
 14 Do you see that question?
 15 A. Yes, I do. 11:41:18
 16 Q. And you provided a response?
 17 A. Yes.
 18 Q. And, in your response, you go
 19 through a number of items, and I believe -- is
 20 this accurate that what you're doing is you're 11:41:33
 21 listing any factor which could have caused a
 22 decline in passenger traffic over that period
 23 of time?
 24 A. Yes, we certainly attempted to
 25 postulate reasons for the decline and get as 11:41:47

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1 many of them on paper as we could.
 2 Q. So, for example, on the second
 3 page, on the second at letter F, you say -- you
 4 talk about the riots following the death of
 5 Martin Luther King. 11:42:00
 6 A. Yes.
 7 Q. You believe that may have had some
 8 impact; is that accurate?
 9 A. Yes. Generally, the intercity
 10 conditions had some impact on the intercity 11:42:06
 11 passenger train business.
 12 Q. Do you quantify any of these
 13 proposed reasons?
 14 A. We have some data to support them.
 15 We don't quantify their impact in terms of 11:42:21
 16 building a model.
 17 Q. So for any particular item, you
 18 can't tell me what the exact impact was on the
 19 railroad; is that accurate?
 20 A. No, not the exact impact. 11:42:37
 21 Q. Has that model been done by anybody
 22 that you're aware of?
 23 A. No, I am unaware if it has been
 24 done.
 25 Q. Are you capable of doing it? 11:42:56

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1 A. We could conceivably do it.
 2 Obviously, there would be a fair number of
 3 assumptions in any such model, but it probably
 4 could be done.
 5 MR. HART: Could we take a short 11:43:36
 6 break?
 7 MR. STEWART: Sure.
 8 (Off the record.)
 9 Q. Hopefully we'll get out of here in
 10 a reasonable hour. 12:01:53
 11 So let's go back to page 3900 in
 12 Exhibit 2. Your response to number 1
 13 indicated -- well, you couldn't answer the
 14 question that was posed to you; is that
 15 accurate? 12:02:26
 16 A. That is correct.
 17 Q. Okay. And you -- I believe you
 18 told me earlier that you're not working on that
 19 question presently. You have not been asked to
 20 work on it any further; is that true? 12:02:42
 21 A. That is true.
 22 Q. Do you know if anybody is working
 23 on that presently?
 24 A. I don't know.
 25 Q. Do you know whether any other 12:02:47

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1 experts have been contacted by Blank Rome in
 2 this case?
 3 A. No, I don't.
 4 Q. Have you had any communications
 5 with any other consultants or experts in this 12:02:57
 6 case?
 7 A. No, I haven't.
 8 Q. Your work on this case, have you
 9 billed for your work?
 10 A. We have billed for the first month 12:03:14
 11 of work and we have not yet billed for the
 12 current month.
 13 Q. Who do you provide your bill to,
 14 Blank Rome?
 15 A. Blank Rome. 12:03:24
 16 Q. Is it -- is your client Blank Rome?
 17 A. Yes, it is.
 18 Q. What have you billed to date?
 19 A. I believe that the bill for June or
 20 July services, I can't recall which, came to 12:03:39
 21 approximately \$3,700.
 22 Q. Do you bill on an hourly basis?
 23 A. Yes, we do.
 24 Q. What do you bill per hour?
 25 A. Professionals are billed at \$165 an 12:03:50

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1 hour and technicians or research or office
 2 staff are billed at \$40 an hour.
 3 Q. Earlier, I believe you told me that
 4 there are agreements between the employees and
 5 the company that deal with furloughs; is that 12:04:31
 6 accurate?
 7 A. I believe that's correct.
 8 Q. Are you referring to Collective
 9 Bargaining Agreements?
 10 A. I am indeed. 12:04:39
 11 Q. Any other agreements that you're
 12 aware of? Any other types of agreements that
 13 you're referring to in that?
 14 A. Well, in the course of the railroad
 15 business, there are certainly understandings 12:04:49
 16 and side agreements, but they generally all
 17 fall under the overall structure of Collective
 18 Bargaining Agreements.
 19 Q. Did you review any Collective
 20 Bargaining Agreements in the work that you did 12:05:00
 21 in this case?
 22 A. No, I did not.
 23 Q. Did you think that it was -- well,
 24 strike that.
 25 Did you choose not to review them? 12:05:09

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1 In other words, was the thought process maybe I
 2 should look at these; maybe I shouldn't?
 3 A. No, that never came up as a -- as
 4 an item that we should research.
 5 Q. Did you think you needed to look at 12:05:23
 6 Collective Bargaining Agreements to determine
 7 why the individual plaintiffs in this case may
 8 have been furloughed?
 9 A. No. That was never part of the
 10 assignment. 12:05:38
 11 Q. And it's not part of the assignment
 12 presently for you, correct?
 13 A. That is correct.
 14 Q. Now, the e-mail that you received
 15 on the 20th that's on page 3899 in Exhibit 2, 12:05:54
 16 is that the only e-mail that you received from
 17 anybody at Blank Rome?
 18 A. No.
 19 Q. You've received others?
 20 A. Yes, I have. 12:06:08
 21 Q. There are no others that were
 22 provided to us in your report; is that
 23 accurate?
 24 A. I believe that would be the case.
 25 I don't know if any others have been provided, 12:06:18

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1 but they were not included in this report.
 2 Q. Do you still maintain those
 3 e-mails?
 4 A. Best of my knowledge, we have at
 5 least some of them. 12:06:31
 6 Q. How many would there be?
 7 A. Probably a half dozen.
 8 Q. What were the subjects of them?
 9 A. Basically, our initial
 10 understanding of work and, subsequent to that, 12:06:44
 11 times and places to show up and travel
 12 arrangements.
 13 Q. Were you ever made aware of the
 14 deadline for the submission of your expert
 15 report? 12:07:00
 16 A. Yes. I was made aware that it had
 17 to be done prior to our meeting in mid
 18 September.
 19 Q. Did you -- were you aware of a date
 20 at the end of July for your report? 12:07:14
 21 A. I can't recall.
 22 Q. You know that the report was
 23 provided to us prior to August, do you not?
 24 A. No. This entire report that is
 25 called Exhibit 2 could not have been provided 12:07:33

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1 to you in August.
 2 Q. Because there's some information
 3 that's in -- that's from August, correct?
 4 That's how you know that?
 5 A. There's certainly earlier 12:07:43
 6 information contained therein. And the initial
 7 report that is described on pages PCC 003889
 8 and following was dated June 29th, so that
 9 certainly could have been provided to you
 10 before August. 12:08:05
 11 Q. What's the difference?
 12 A. Or before September I should say.
 13 Q. I'm sorry.
 14 What's the difference between the
 15 June 29th report and the September report? 12:08:11
 16 A. The September -- the September
 17 report expands upon and enhances the data and
 18 conclusions and further answers the questions
 19 that were asked subsequent to that report.
 20 Q. So at the time you did your June 12:08:28
 21 report, you obviously didn't have the e-mail
 22 from Mr. Groppe with the August 20 e-mail?
 23 A. That's correct.
 24 Q. So responding to that e-mail was
 25 one of the things that's different between the 12:08:40

18 (Pages 69 to 72)

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1 two reports, correct?

2 A. Yes, it certainly was.

3 Q. When Mr. Groppe sent you the e-mail

4 on the 20th of August, was that the first time

5 that he had raised those questions with you? 12:08:52

6 A. It was certainly the first time he

7 had raised them in writing. We had generally

8 discussed these issues, but that was the first

9 time they were enumerated in very succinct

10 terms. 12:09:08

11 Q. You had discussed the issues with

12 him prior to the e-mail?

13 A. In generalities, yes.

14 Q. Did he know prior to the e-mail

15 that you couldn't answer Question Number 1? 12:09:16

16 A. I can't answer that. I don't know

17 what he knew.

18 Q. Did you tell him prior to this

19 August 20 date, did you tell him that you

20 couldn't answer the first question? 12:09:30

21 A. Well, since Question Number 1 had

22 never been asked specifically, I could not have

23 responded to it prior thereto.

24 Q. So he didn't, prior to the e-mail,

25 he didn't make you aware that he was looking 12:09:41

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1 for an answer to Question Number 1?

2 A. Not specifically, no.

3 Q. Had he told you -- was -- strike

4 that.

5 As we discussed earlier at the 12:09:56

6 bottom of the e-mail, it discusses what we are

7 trying to prove is a direct quote from the

8 middle of the -- end of the paragraph. Do you

9 see that? It says, "So basically what are your

10 thoughts on what information?" 12:10:14

11 A. Yes.

12 Q. We have, what we are trying to

13 prove and what information we will need to

14 achieve our goal.

15 The "what we are trying to prove" 12:10:22

16 statement, did you believe that you understood

17 what -- what you were trying to prove or what

18 they were trying to prove prior to this e-mail?

19 A. In generalities, yes.

20 Q. Well, you knew enough back in June 12:10:39

21 to prepare -- to prepare an initial report,

22 correct?

23 A. Yes.

24 Q. So at least at that point in time,

25 you knew -- you had an idea what they were 12:10:48

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1 trying to prove, did you not?

2 A. I had an idea what the case was

3 about.

4 Q. Well, when you prepared your

5 June -- the June 29 report, did you -- did you 12:10:56

6 not know what your function was in this case;

7 what you were being asked to do?

8 A. We were being asked to be an expert

9 witness.

10 Q. But you hadn't been asked to 12:11:10

11 provide any specific opinions?

12 A. No. At that point, we were just

13 gathering data. We had not been asked to

14 prepare any specific opinions in June.

15 Q. So your June 29 report, how did you 12:11:21

16 know what it was responsive to?

17 A. It was responsive to providing

18 background for this case.

19 Q. What was your charge in advance of

20 the June 29 report? 12:11:38

21 A. To qualify ourselves in the eyes of

22 Blank Rome as a potential expert witness that

23 could provide data on the passenger business

24 nationally and in and around Cleveland.

25 Q. And how does that differ from your 12:11:57

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1 charge before your September report?

2 A. At that point, we had been asked

3 specific questions, as enumerated in the August

4 20th e-mail, and other conversations by

5 telephone, and we were able to amplify that 12:12:13

6 request into a report.

7 Q. Other than the questions that you

8 were specifically asked on the August 20

9 e-mail, what other questions were you asked?

10 A. We were asked, for instance, what 12:12:30

11 the overall extent of the decline in passenger

12 business was; what the nature of the train

13 service through Cleveland was. At one point,

14 we were asked dates on which trains were

15 discontinued through Cleveland. 12:12:49

16 Q. Anything else?

17 A. There may have been, but those are

18 the ones I recall immediately.

19 Q. So you were responding to those

20 issues and the four issues that Mr. Groppe has 12:13:00

21 in his e-mail; is that true?

22 A. That's correct.

23 Q. Any others?

24 A. No.

25 Q. Did you -- when you took on this 12:13:07

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1 work, did you have an engagement letter with
 2 your client?
 3 A. I don't believe so, but I can't
 4 recall specifically. I don't recall any
 5 specific engagement letter other than our 12:13:29
 6 e-mail and telephone conversations.
 7 Q. The August 20 e-mail, is that the
 8 first written statement to you outlining what
 9 Blank Rome wants you to opine on?
 10 A. That's the first specific 12:13:50
 11 statement, yes.
 12 Q. Is there any -- other than e-mails,
 13 is there any other written correspondence
 14 between you and Blank Rome?
 15 A. I don't believe so. 12:14:07
 16 Q. Is that how you commute --
 17 A. I don't have the file in front of
 18 me with the entire correspondence of the job,
 19 but I don't recall ever having gotten a letter
 20 from Blank Rome. 12:14:19
 21 Q. Did you ever send a letter to Blank
 22 Rome?
 23 A. Probably the accompaniment of these
 24 reports.
 25 Q. Other than that? 12:14:28

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1 Q. That's the address you gave me
 2 earlier?
 3 A. That is correct.
 4 Q. Any faxes between you and Blank
 5 Rome? 12:15:35
 6 A. No, no faxes whatever.
 7 Q. Did you receive any faxes?
 8 A. No.
 9 - - - - -
 10 (Thereupon, Plaintiffs' Deposition
 11 Exhibit 4 was marked for purposes of
 12 identification.)
 13 - - - - -
 14 Q. Sir, I want you to take a look at
 15 Exhibit 4. Have you seen that before? 12:16:37
 16 A. Yes.
 17 Q. What is it?
 18 A. Exhibit 4 is a list of the sources
 19 of all of the data contained in our report.
 20 Q. You brought this with you today? 12:16:49
 21 A. Yes, I did.
 22 Q. And this was presented to me today;
 23 is that accurate?
 24 A. That is probably correct. I would
 25 assume so. 12:16:56

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1 A. No. Of course, our bill for the
 2 one month that we billed.
 3 Q. You sent them your bill and you
 4 sent them the part that we have as Exhibit 2?
 5 A. Yes. 12:14:40
 6 Q. And you sent them the report back
 7 in June, the June 29 report?
 8 A. That's correct, yes.
 9 Q. But you don't have any other
 10 written correspondence -- 12:14:47
 11 A. No.
 12 Q. -- with Blank Rome? I'm accurate?
 13 A. That would be accurate, yes.
 14 Q. Do you have any notes on your work
 15 in this case? 12:15:04
 16 A. None that you haven't seen within
 17 this work.
 18 Q. That's my question. Do you have
 19 any notes outside of what we've got in front of
 20 us? 12:15:14
 21 A. No.
 22 Q. Your file on this case, where is
 23 that maintained?
 24 A. It's in Philadelphia in our Bryn
 25 Mawr office. 12:15:23

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1 Q. Your counsel didn't have it before
 2 today, did they?
 3 A. No.
 4 Q. Who prepared it?
 5 A. That was prepared by Charles H. 12:17:05
 6 Bode, a research librarian.
 7 Q. He works for you?
 8 A. Yes, he does.
 9 Q. He prepared this at your request?
 10 A. Yes, he did. 12:17:17
 11 Q. On the second page, it identifies a
 12 book called The Wreck of the Penn Central.
 13 A. Yes.
 14 Q. Are you familiar with that book?
 15 A. Yes, I am. 12:17:31
 16 Q. Have you read that book?
 17 A. Yes, I have.
 18 Q. And you used that as a source for
 19 your report?
 20 A. Yes, we did. 12:17:41
 21 Q. The -- do you know who wrote that
 22 book?
 23 A. Not offhand.
 24 Q. I'll help you. Do you know Joseph
 25 Daughen or Peter Binzen? 12:18:14

20 (Pages 77 to 80)

<p>1 A. I don't know them personally. 81</p> <p>2 Q. When was the first time you read</p> <p>3 The Wreck of the Penn Central?</p> <p>4 A. Within months of its publication.</p> <p>5 Q. Do you use it often as a source 12:18:25</p> <p>6 document?</p> <p>7 A. No, I don't.</p> <p>8 Q. Is this the first time you used it</p> <p>9 as a source document?</p> <p>10 A. Yes, it is. 12:18:33</p> <p>11 Q. Why do you feel comfortable using</p> <p>12 it as a source document?</p> <p>13 A. Because it had some of the data in</p> <p>14 it that we needed to fill gaps in our other</p> <p>15 data. 12:18:43</p> <p>16 Q. How do you know the information is</p> <p>17 accurate?</p> <p>18 A. I can't speak to the accuracy of</p> <p>19 any of the information contained there. The</p> <p>20 sources are the sources. 12:18:54</p> <p>21 Q. But you feel comfortable using it</p> <p>22 as a source for your report?</p> <p>23 A. There was nothing inherent in the</p> <p>24 data contained in that book that greatly</p> <p>25 conflicted with any of the trends that we 12:19:07</p>	<p>1 document. The excerpt that I've given you is 83</p> <p>2 not necessarily the page that you cite or the</p> <p>3 page that you used. It's an excerpt that we</p> <p>4 have pulled out of the book.</p> <p>5 If you could, go to -- it would be 12:20:49</p> <p>6 the third page of the excerpt, which is page</p> <p>7 220 of the book. Tell me when you're there.</p> <p>8 A. I'm there.</p> <p>9 Q. The last paragraph, it's not a full</p> <p>10 paragraph, goes on to the next page, but the 12:21:05</p> <p>11 paragraph starts out, "On May 20, 1964,</p> <p>12 Saunders and Pearlman," then it goes on.</p> <p>13 Do you know who Saunders is?</p> <p>14 A. Yes, I do.</p> <p>15 Q. Who was he? 12:21:17</p> <p>16 A. He was the chairman of Penn</p> <p>17 Central.</p> <p>18 Q. Did you ever meet him?</p> <p>19 A. Yes, I have.</p> <p>20 Q. Did you work with him? 12:21:23</p> <p>21 A. Not closely.</p> <p>22 Q. What was your -- what were the</p> <p>23 circumstances that you met him?</p> <p>24 A. We worked in the same building and,</p> <p>25 at one point or other, he was introduced to me 12:21:34</p>
<p>1 established and, therefore, whether the data 82</p> <p>2 was correct to the nearest unit or not, it</p> <p>3 certainly lent a reasonable aura of</p> <p>4 authenticity and that it complied with our</p> <p>5 other data. 12:19:31</p> <p>6 Q. This book was published in 1971.</p> <p>7 Are you familiar with that fact?</p> <p>8 A. I believe so.</p> <p>9 Q. And you read it shortly after it</p> <p>10 was published? 12:19:38</p> <p>11 A. Yes, I did.</p> <p>12 Q. Did you read it again as you were</p> <p>13 going about putting your report together for</p> <p>14 this case?</p> <p>15 A. I did not personally, no. 12:19:46</p> <p>16 MR. HART: Why don't we mark this</p> <p>17 as Exhibit 5.</p> <p>18 - - - - -</p> <p>19 (Thereupon, Plaintiffs' Deposition</p> <p>20 Exhibit 5 was marked for purposes of</p> <p>21 identification.)</p> <p>22 - - - - -</p> <p>23 Q. I've provided you an excerpt of the</p> <p>24 book The Wreck of the Penn Central that you</p> <p>25 cite in your -- in Exhibit 4 as a source 12:20:29</p>	<p>1 as the chairman of the company. 84</p> <p>2 Q. Okay. In that paragraph, there's a</p> <p>3 statement that says, "Where the earlier</p> <p>4 agreements provided job protection for four</p> <p>5 years, the Penn Central pact offered lifetime 12:21:51</p> <p>6 protection. Any person on the payroll at the</p> <p>7 time the Merger Agreement was signed could not</p> <p>8 be dismissed except for cause. If the employee</p> <p>9 was laid off, he had to be given a year's</p> <p>10 severance pay. Anyone who lost his job between 12:22:05</p> <p>11 the time of the Agreement was signed and the</p> <p>12 effective date of the merger had the right to</p> <p>13 be rehired."</p> <p>14 Do you see that?</p> <p>15 A. Yes, I do. 12:22:15</p> <p>16 Q. Your report -- well, have you --</p> <p>17 your report does not render any opinion on that</p> <p>18 particular issue, does it?</p> <p>19 A. That is correct.</p> <p>20 Q. You've not been asked to render 12:22:26</p> <p>21 such an opinion?</p> <p>22 A. That is also correct.</p> <p>23 Q. Are you an expert on that issue?</p> <p>24 A. No, I am not.</p> <p>25 Q. Is that -- is that statement 12:22:35</p>

<p style="text-align: right;">85</p> <p>1 consistent with your understanding of the 2 situation back at the time? 3 A. I'm not sure that it is. 4 Q. Is it inconsistent? 5 A. I'm not sure that it's either 12:22:51 6 inconsistent or consistent. 7 Q. You don't have any opinion on the 8 subject? 9 A. That's correct. 10 Q. And then also on page 221 -- it's 12:22:57 11 the page you have in front of you -- further on 12 in the next paragraph, the paragraph that 13 starts out, "In exchange for this, the union's 14 agreed to drop their opposition to the merger. 15 This was the most important factor for 12:23:26 16 Saunders. The concessions that Labor offered 17 seemed small when compared to what the railroad 18 had given up." 19 Do you see that? 20 A. Yes. 12:23:35 21 Q. Then it goes on, it says, "Under 22 the Agreement, the railroad could reduce its 23 workforce by five percent a year, but only 24 through attrition. This was the normal rate of 25 attrition anyway. It did very little to help 12:23:42</p>	<p style="text-align: right;">87</p> <p>1 opinion on that issue? 2 A. That is also true. 3 Q. Is it also true that you have no 4 expert opinion on that issue? 5 A. That is true. 12:24:53 6 Q. The two paragraphs down starts, "In 7 1968 and 1969, the cost to the railroad of the 8 Agreement was 64.7 million. In 1970, the 9 Agreement cost Penn Central another 28 10 million." 12:25:30 11 Then it goes on and says, "In just 12 three years, the cost estimate had been 13 exceeded by 14 million." 14 Your expert report does not render 15 any opinion on that, does it? 12:25:40 16 A. None. 17 Q. You've not been asked to provide 18 any opinion on that? 19 A. No, I have not. 20 Q. And is it true that you don't have 12:25:46 21 any expert opinion on that issue? 22 A. That is true. 23 Q. Are you aware that Penn Central 24 made payments under the Merger Protection 25 Agreement in 1968, '69 and 1970? 12:25:58</p>
<p style="text-align: right;">86</p> <p>1 the railroad operate more efficiently. 2 Attrition did not afford management the 3 opportunity to choose which jobs could be 4 eliminated." 5 Did you -- in your report, were you 12:23:53 6 asked to provide any analysis or expert opinion 7 on that issue? 8 A. No. 9 Q. Do you have any opinion on that 10 issue? 12:24:09 11 A. No. 12 Q. So, as we sit here today, you don't 13 know whether this is accurate or inaccurate? 14 You just don't have an opinion; is that true? 15 A. I neither have an opinion nor do I 12:24:17 16 know if it's accurate. 17 Q. Then the paragraph goes on, at the 18 very end of the paragraph, it says, "If the 19 employee refused to move, the railroad was 20 again faced with the same choice: Keep him on 12:24:33 21 the payroll or pay him severance." 22 Is it true that you were not asked 23 to provide any opinion on that issue? 24 A. That is true. 25 Q. And you have not provided any 12:24:46</p>	<p style="text-align: right;">88</p> <p>1 A. No, I'm not aware if they have. 2 Q. And you've not been asked to 3 provide any expert opinion on that subject, 4 have you? 5 A. That's correct. 12:26:12 6 Q. And you don't have any opinion on 7 that subject as we sit here today? 8 A. That's correct. 9 Q. If you go to page 222 -- this is 10 still in the same exhibit. This is still in 12:26:41 11 Exhibit 5. 12 At the top, the first full 13 paragraph, there is a quote from Mr. Saunders. 14 Do you see that? 15 A. Yes. 12:27:00 16 Q. And he says, "Now you might ask how 17 do you get that." He's referring to what's 18 before that. And then the quote goes on, "You 19 see, this Agreement Merger protects these 20 people for life, whereas this other is four 12:27:12 21 years from the date of the merger or the date 22 effected." 23 Were you asked to provide any 24 opinion on that? 25 A. No, I was not. 12:27:20</p>

22 (Pages 85 to 88)

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1 Q. And you have not provided any
 2 opinion on that; is that correct?
 3 A. That's correct.
 4 Q. And you have no expert opinion on
 5 that subject, do you? 12:27:27
 6 A. That is correct.
 7 Q. Did you ever hear Saunders or
 8 anyone else at Penn Central make a similar
 9 statement --
 10 A. No, I did not. 12:27:34
 11 Q. -- regarding the Merger Protection
 12 Agreement?
 13 A. No.
 14 Q. Did you hear them make any
 15 statements to the contrary? 12:27:41
 16 A. To the contrary of this quote?
 17 Q. Yes.
 18 A. The only statement I heard with
 19 regard to the Merger Protection Agreement was
 20 by Alford Pearlman, who indicated that he 12:27:54
 21 thought the Merger Protective Agreement was
 22 generous.
 23 Q. That's the only comment you've
 24 heard?
 25 A. That's correct. 12:28:02

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1 Q. Okay. Did he say why it was
 2 generous?
 3 A. No. He did not elaborate.
 4 Q. Your expert report, I'm correct, am
 5 I not, that it did not render an opinion as to 12:28:21
 6 whether the Merger Protection Agreement applies
 7 to these particular plaintiffs?
 8 A. That's correct, it does not
 9 indicate anything in that regard.
 10 Q. You weren't asked to do that? 12:28:33
 11 A. That's correct.
 12 Q. You don't have -- do you have an
 13 opinion in that regard?
 14 A. No, I don't.
 15 Q. Do you have any -- strike that. 12:28:39
 16 Were you provided any -- have you
 17 ever known why Penn Central agreed to the
 18 Merger Protection Agreement?
 19 A. Do I know why the Penn Central
 20 agreed to it? 12:29:03
 21 Q. Yeah. Are you aware of any
 22 information in that regard?
 23 A. I could speculate.
 24 Q. I don't want you to speculate.
 25 A. That would be all I would be doing. 12:29:14

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1 Q. You didn't render any opinion in
 2 your expert report regarding the nature of the
 3 job protections in the Merger Protection
 4 Agreement; is that true?
 5 A. That's true. 12:29:35
 6 Q. And is it true that you've not been
 7 asked to do that?
 8 A. That's true.
 9 Q. And is it also true that you don't
 10 have any opinion in that regard? Is that true? 12:29:41
 11 A. That's true.
 12 Q. Do you know who the defendant is in
 13 this case?
 14 A. Not by name.
 15 Q. Do you know who's ultimately paying 12:30:18
 16 your bills?
 17 A. Oh, would you strike my last
 18 response? The defendant. My mind heard
 19 plaintiff. I believe the defendant is American
 20 Premium Underwriters. 12:30:33
 21 Q. Why do you come to that
 22 understanding?
 23 A. That was what was conveyed to me by
 24 Blank Rome.
 25 Q. What happened to Penn Central? 12:30:51

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1 A. Would you be more specific?
 2 Q. Why are they not the defendant, do
 3 you know?
 4 A. Well, Penn Central, to my
 5 knowledge, does not exist, but its successor 12:31:03
 6 company is known as American Premium
 7 Underwriters.
 8 Q. Just a little housekeeping with a
 9 few last questions and we'll be out of here.
 10 You mentioned that you had given 12:31:34
 11 depositions prior to today.
 12 A. Yes.
 13 Q. How many? You've given four of
 14 them?
 15 A. Approximately. 12:31:43
 16 Q. Can you tell me what cases you gave
 17 those in?
 18 A. Not by name, but I can tell you
 19 that one involved a litigation regarding patent
 20 infringement in accessible wheelchair devices, 12:32:00
 21 and another was with regard to a personal
 22 injury or fatality that occurred on a railway
 23 in New Jersey.
 24 Q. Any others that you can recall?
 25 A. None that I can specifically recall 12:32:25

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1 at this point.

2 Q. How many times have you been asked

3 to act as an expert witness in a piece of

4 litigation?

5 A. Approximately ten. 12:32:37

6 Q. Of those ten, how many have been on

7 the plaintiff's side versus the defense side?

8 A. I don't recall.

9 Q. Have you worked on both sides,

10 plaintiff and defense? 12:32:52

11 A. Yes.

12 Q. When was the last case that --

13 before this one that you worked on?

14 A. Approximately 12 years ago.

15 Q. Are you currently working on any 12:33:04

16 matters that involve litigation?

17 A. No.

18 Q. So all ten of them would have

19 occurred prior to the last 12 years?

20 A. That is correct. 12:33:20

21 Q. Can you tell me the names of any of

22 your clients in those cases? In other words,

23 who did you render the opinions for?

24 A. In the last one, it would have been

25 the Ricon Corporation. R-I-C-O-N. They are 12:33:34

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1 manufacturers of wheelchair lifts for railway

2 equipment and buses.

3 Q. Any others that you can recall?

4 A. No, I can't.

5 Q. Did you testify for the Ricon 12:33:52

6 Corporation in the litigation?

7 A. I gave a deposition and the matter

8 was settled prior to reaching court.

9 Q. Have you ever testified in court on

10 behalf of one of your clients? 12:34:10

11 A. I believe I have, and I believe it

12 was in a matter regarding airport ground

13 transportation in San Francisco.

14 Q. How long ago was that?

15 A. That would have been about 15 years 12:34:26

16 ago.

17 Q. Who was your client in that case?

18 A. I believe it was SFO Airporter,

19 which operated ground transportation in San

20 Francisco, but I may be wrong on that. They 12:34:48

21 were certainly involved in the case.

22 Q. Other than that case, have you ever

23 testified in a court?

24 A. Not that I can recall.

25 Q. How about in an arbitration 12:35:01

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1 proceeding?

2 A. Not that I can recall.

3 Q. Have you ever testified for Penn

4 Central or on a Penn Central issue before?

5 A. Not that I can recall. 12:35:11

6 Q. Did you ever give testimony to

7 Congress?

8 A. I've given testimony to a

9 congressional staff committee, but not to

10 Congress itself. 12:35:25

11 Q. What was the circumstance of that?

12 A. That was in regard to Amtrak and

13 its various needs, budgetary and otherwise.

14 Q. How long ago?

15 A. Approximately three to four years 12:35:40

16 ago.

17 Q. Has anybody at Blank Rome asked you

18 to provide names of other experts or

19 consultants?

20 A. No. 12:36:03

21 Q. When you were at Penn Central, were

22 you involved in the reviewing the wage

23 guarantees or implementing them?

24 A. No.

25 Q. Are you aware -- you have no 12:36:17

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1 knowledge of the payments that were made under

2 the MPA?

3 A. I have no knowledge.

4 MR. HART: Thank you.

5 (Off the record.) 12:36:55

6 MR. HART: Just real briefly, I'm

7 going to keep custody of Exhibit 2. The court

8 reporter will have all the other exhibits.

9 This is my only copy with Bates numbers on it.

10 MR. STEWART: That's fine with us. 12:37:05

11 MR. HART: Now go ahead.

12 MR. STEWART: I just wanted to ask

13 you -- you have the right to review -- after

14 she types up your deposition into a transcript,

15 you have the right to review it and sign it if 12:37:15

16 you want, or you can waive that right.

17 THE WITNESS: Doesn't matter to me.

18 It's whatever you suggest.

19 MR. STEWART: I suggest that you

20 review and sign it. 12:37:24

21 THE WITNESS: Then I shall review

22 and sign it.

23 (Deposition concluded.)

24 -----

25

24 (Pages 93 to 96)

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A BRIEF REVIEW OF INTERCITY RAILROAD PASSENGER TRAFFIC IN CLEVELAND OH AND NORTH AMERICA BETWEEN WORLD WAR II AND 1971

Prepared for
BLANK ROME LLP

July 2007

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PCC003891

A BRIEF REVIEW OF INTERCITY RAILROAD PASSENGER TRAFFIC IN CLEVELAND OH AND NORTH AMERICA BETWEEN WORLD WAR II AND 1971

The charts and graphs on the following pages depict the rather sad decline in the intercity railroad passenger business in the years following World War II. This secular decline continued up to May 1, 1971, when the National Railroad Passenger Corporation (Amtrak), relieved the private freight railroads in the United States of most of their intercity rail passenger service obligations.

Using data in the technical library of PTSI Transportation, these charts and graphs indicate that with very few exceptions, passenger traffic, revenue passengers, passenger-miles, and consequent train movements, went into a tailspin in the years following the war. Economic trends tended to exacerbate this decline, as did completion of limited-access highways. Nationally, two important factors in the diminution of the services were the 1958 start of construction on the National Defense Highway system, now known as the Interstate system, and the almost simultaneous introduction of the jet aircraft into revenue passenger service.

In the years following these important events, the decline and fall of the Railway Express Agency and critical decisions by the U.S. Post Office resulted in a significant reduction in mail and express shipments on passenger trains, with consequent impact on the intercity passenger rail network.

As trains were felled by loss of riders, mail, and express, the connecting trains they fed weakened, and they too became the subject of discontinuance petitions before the Interstate Commerce Commission or the various state commissions. As losses mounted, and became more evident, certain railroads became more skillful in their train-off cases. The most optimistic railroads were running a few popular passenger trains, some of which were still making money "above the rail" (on an avoidable-cost basis). However, even they could see that the post-war crop of locomotive and car equipment, and much passenger infrastructure, required eventual replacement, and revenues were simply insufficient to recapitalize this investment.

An exception was Canadian National. Under the leadership of late PTSI Transportation Associate Garth Campbell, then CN chief passenger marketing officer, and others (including current PTSI Transportation On-Board Services Associate Harold Murray, who had charge of dining and sleeping car service for CN), CN launched an aggressive campaign to reverse the decline in passenger traffic. Using savvy fare strategy, much second-hand U.S. equipment, and brand marketing techniques, CN literally stopped the decline and doubled use of its trains within a few years. However, many of the same long-term challenges beset CN. Since it could not reduce its cost base, the rapid gains were reversed when new management failed to enthusiastically back the passenger service.

On both sides of the 49th parallel, government realized that only public investment and legal action could save any shreds of intercity passenger service (and avoid the catastrophe which might ensue if passenger losses and the difficult economics of the period brought down entire railroad systems). Amtrak was formed in the U.S. in 1971, and VIA Rail Canada quickly became its rough equivalent.

Illustrating how desperate the situation had become, Cleveland Union Terminal was, by late 1967, handling less than one busload of intercity passengers in and out, and about 100 or less commuters, each weekday. From the 85 daily trains in and out in 1950, less than 20 used the huge terminal complex in Cleveland's Public Square by 1967. Nickel Plate (NYC&StL) passenger service through Cleveland had been discontinued by this time, and the Erie-Lackawanna was represented by one commuter round trip.

In late 1967, the New York Central discontinued its famous Twentieth Century Limited (which bypassed Cleveland Union Terminal, using the faster Lakefront line), as part of its Empire Service recast of the intercity passenger services in New York State. The remaining trains were rationalized. Except for one primarily mail and express train, and the former New England States, which assumed the "Century" role as primary east-west intercity train, most were but one or two coaches, and handled precious few passengers. Even this would falter by 1968 when the Penn Central merger took place, with passenger losses far more prominent. By 1971, all former New York Central passenger trains vanished from Cleveland. When Amtrak restored one round trip, it used a new station on the Lakefront.

Subj: RE: Penn Central
Date: 8/20/07 1:23:54 PM Eastern Daylight Time
From: Groppe@BlankRome.com
To: PTSITRANSPORT@aol.com

Mike,

You are correct that these jobs were passenger positions. Sorry that the info did not relate more toward that end, I basically sent the file as it was marked, i.e., decline in passenger service. I guess my next question would be then, what documents will you need to prove the below stated issues:

- 1) that PCC had a business decline that necessitated a furlough based on the formula for overall business decline in the MPA section 1(b), as a disqualifying factor for receipt of benefits under the MPA (basically, did PCC's decline in passenger service and possibly other areas, meet the formula in the MPA--of which you should have a copy that I faxed);
- 2) whether the number of trains passing through the C.U.T. declined over the years 1962-1972;
- 3) whether both carriers, prior to the merger, experienced a general business decline from about 1962 to 1968; and
- 4) how was the C.U.T. directly and negatively impacted by the Empire Service or any other force which would result in a decline of available jobs at the C.U.T.

Please let me know of what documents you would need to prove the above information, and I will do my very best to obtain it. Or, if you know how to obtain the documents or are already in possession of them, feel free to have at it. So basically, what are your thoughts on what information we have, what we are trying to prove, and what information will we need to achieve our goal.

I look forward to hearing from you.

Jason

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From: PTSITRANSPORT@aol.com [mailto:PTSITRANSPORT@aol.com]
Sent: Saturday, August 18, 2007 10:47 AM
To: Groppe, Jason
Subject: Penn Central

Jason:

We did indeed receive the package of material for review and have given it a quick pass, and started to review in detail those pages relevant to our position.

PCC003899

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

1. Did Penn Central have a business decline that necessitated a furlough based on the Merger Protection Agreement (MPA) formulae?

The MPA formulae dealt only with freight indices. It was silent in regard to the passenger business, which, according to most sources, was the single biggest cash outflow that Penn Central and many other railways had in this era.

The passenger business had been in a secular decline roughly since World War II. The only gains in passenger revenue recorded by Penn Central and its predecessors came in 1969, when the passenger revenues of the former New Haven Railroad, themselves declining about \$1 million each year, were added to those of the primary predecessor roads, and when, at the same time, high speed service was inaugurated in the Northeast Corridor (both of these latter additions having nothing to do with Cleveland).

2. Did the number of trains passing through Cleveland Union Terminal (CUT) decline over the years 1962 - 1972?

Yes; as detailed elsewhere in our work, the number of trains using CUT each day in 1961 was 35; by 1972 there were but 2.

3. Did both carriers, prior to the merger, experienced a general business decline from about 1962 to 1968?

We cannot comment on general business conditions, as we have examined in detail only the passenger revenues, ridership, and operations, which, as stated, declined each year up to and immediately after the merger.

4. How was CUT directly and negatively impacted by the Empire Service or any other force which would result in a decline of available jobs at CUT?

The following are but some of the factors negatively impacting the intercity passenger traffic through Cleveland in the 1950, 1960, and early 1970 eras.

- a) Empire Service - this restructuring of the New York Central passenger service in New York State (and the restructuring and discontinuances which were precursor thereto in 1967) eliminated journey opportunities, discontinuing some through services where these had existed. While successful in stemming the loss of both ridership and revenue in New York State, the changes had a slightly negative impact on "lines west", the routes from Buffalo to Cleveland, Cincinnati, St. Louis and Chicago.
- b) Mail Service - the U. S. Post Office instituted a policy of transferring mail from passenger service to freight trains, highway trucks, and air carriers. Automated sorting, the use of "zip" codes, and service and policy issues resulted in elimination of railway post office cars, and a substantial reduction in bulk mail carried by passenger train. Mail which had been handled at and through CUT was either lost to rail, or transferred in some cases to other facilities in Cleveland more highly automated, or adapted to non-passenger needs.

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

(continued)

- c) Railway Express Agency (REA) - the Railway Express Agency, which was owned collectively by American railroads, suffered a decline in business which resulted in cessation of all operations by 1975. During the declining years, some of its traffic was shifted to highway and air modes, accelerating the decline in revenue to the railroads. Most of the REA diversion from passenger trains occurred between 1966 and 1968.
- d) Interstate Highways - the program of Defense and Interstate Highways, begun under the Eisenhower administration in 1958, accelerated as the 1960 era progressed. This program, and certain state programs which resulted in such limited access highways as the New York State Thruway (which opened between 1954 and 1959) and the Ohio Turnpike (which opened in 1955), constituted a national, if de facto, public policy to shift both passenger and freight transportation to the highway mode. These highways, with no grade crossings of other roads or railways, and with no traffic lights, greatly decreased travel time for trucks, buses and autos.
- e) Suburbanization - the wholesale relocation of metropolitan residential population from the inner city and surrounding areas to dispersed suburbs resulted in the diminution of much activity in central business districts. Pre-suburbanization, city centers facilitated access to passenger trains through proximity to activity in and around downtown stations. The public transportation network was made possible by dense development within a few miles of downtown stations. Dispersal of this concentration hindered convenient access to trains because much activity was remote from the station, and because local transport in the suburban environment favored the automobile - and downtown stations had little parking available. This was realized in the northeast, with suburban stations such as Route 128 (Boston), Metropark (suburban New Jersey), and New Carrollton (suburban Washington) springing up in the 1960-1970 eras, but by 1962, the outer stations serving Cleveland had essentially dried up.
- f) Riots Following the Death of M. L. King, Jr. - these urban uprisings and others across the nation in the 1960 era resulted in a perception of unsafe conditions in cities, where downtown passenger stations remained. The consequent reluctance to use inner city facilities accelerated the decline in the passenger business.
- g) Decline of Local Public Transportation - CUT was constructed in a major commercial district, and served as its hub, both in terms of office and retail facilities, and as the focal point for urban rail and bus services in Cleveland. As such services declined, the ability to reach the terminal declined as well. While airports, which had always been in remote areas of and around cities, could construct parking on available land, this was not possible or inexpensive in locales such as CUT. These same issues affected cities at the other end of journeys which would start or end at CUT, again diminishing ridership.

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

(concluded)

- h) Reduction in Connecting Passenger Trains - as connecting railroads discontinued passenger trains, Cleveland passengers had fewer and fewer travel options. The proportion of "overhead" or connecting traffic, at cities such as Buffalo, Chicago, and St. Louis, was substantial. As the weak roads exited the passenger business, destinations in Texas, the Dakotas, Iowa, and the south were eliminated as potential rail destinations from Cleveland.
- i) Inauguration of jet aircraft - When the first Boeing 707 entered commercial service in 1958, a "gift" from military development, journey times were reduced, and the tedium of air travel turned to the romance of air travel. Air carriers experienced higher aircraft and labor productivity, and the reliability of all-weather travel eliminated a major rail advantage.
- j) Construction of Suburban Airports - airports serving the jet age required new and bigger facilities, with lots of parking and "jet age" design. This was accomplished in city after city at the public expense, all the while the rail carriers had to maintain aging terminal infrastructure, and pay lavish tax rates on this property to boot. In Cleveland, the rapid transit system was extended to serve Hopkins Airport in the late 1960 era, a good indication that the air age had transcended the railway age as to passenger travel.
- k) Decline of Heavy Industry - Though less evident in Cleveland than some cities, the decline of manufacturing in the eastern U.S. established the "rust belt", decreasing jobs and economic activity disproportionately. This had an effect on travel served by CUT.
- l) Economic Recessions - A series of recessions in 1957 - 1958 and 1961 accelerated the losses suffered by the operators of passenger trains using CUT.
- m) Loss of Population - in addition to suburbanization, the gradual movement of population and economic activity to the sun belt saw 9 cities in the CUT service area (key destinations served from CUT) lose 450,000 residents from 1960 to 1970. Cleveland itself lost 125,000 residents, or 18% of its population, in this period.

September 13, 2007



NEW YORK CENTRAL SYSTEM

Cleveland, Ohio, February 21, 1968

G. C. Weyls
5460 E. Lake Rd.
Lorain, Ohio

G. P. Chelarin
12403 Farrington Ave.
Cleveland, Ohio

W. W. Hahn
14717 Harley Ave.
Cleveland, Ohio

W. E. Bridell
19505 Purnell Ave.
Rocky River, Ohio

K. B. Day
8620 Franklin Ave.
Cleveland, Ohio

K. V. Millard
3074 W. 112 St.
Cleveland, Ohio

G. R. Norris
17891 Shurmer Rd.
Strongsville, Ohio

H. Anderson
10900 Peony Ave.
Cleveland, Ohio

F. C. Uher
1148 Mamitoulin
Brunswick, Ohio

M. Gratson
4256 E. 122 St.
Cleveland, Ohio

S. Tannenbaum
780 E. 266 St.
Cleveland, Ohio

C. C. Tomczak
2419 Stanfield Dr.
Parma, Ohio

W. F. Grady
12885 Bass Lake Rd.
Chardon, Ohio

G. A. Gentile
4718 Snow Rd.
Parma, Ohio

M. J. McLaughlin
1821 W. 52 St.
Cleveland, Ohio

J. F. Acree
37096 Sugar Ridge Rd.
N. Ridgeville, O.

E. J. Benko
13415 Harlon Ave.
Lakewood, Ohio

M. J. Knapik
4312 Bucyrus Ave.
Cleveland, Ohio

W. J. Potosky
5965 Edgehill Dr.
Parma Hts., Ohio

Wm. Leisher
7100 Columbia Rd.
Olmsted Falls, Ohio

J. D. Gastony
3205 W. 73 St.
Cleveland, Ohio

H. E. Doran
2520 Detroit Ave.
Cleveland, Ohio

A. Augustus
17624 Detroit Ave.
Lakewood, Ohio

C. S. Sims
7286 Hoertz Rd.
Parma, Ohio

Wm. Prochaska
1421 Grace Ave.
Lakewood, Ohio

R. Beedlow
1822 E. 89 St.
Cleveland, Ohio

C. Steimle, Jr.
12224 Lorain Ave.
Cleveland, Ohio

J. J. Boros
2725 Forestview Ave.
Rocky River, Ohio

A. G. Bogden
3119 W. 61 St.
Cleveland, Ohio

Effective at 12:01 A.M., February 25, 1968 the extra list of Yardmen at Cleveland Union Terminals Company is being reduced and you are furloughed effective at that time.

You have rights in the Cleveland Freight Yard territory by virtue of agreement effective February 16, 1965 and may stand for employment in the Freight Yard territory. You should immediately contact General Yardmaster D. J. Weisbarth.

A. B. Gravens,
Transportation Superintendent



THE CLEVELAND UNION TERMINALS COMPANY

SENIORITY ROSTER - JANUARY - 1965

* Denotes Official Position

Denotes Disability Pension

§ Denotes Furloughed

& Denotes Leave of Absence

Seniority	Name	Blorn. Sen. Date.	SW. Tender Sen. Date.	Ident No.
1	Nyman, G.	Aug. 1, 1920	March 1, 1940	9477
2	Weisbarth, F.J. *	Aug. 2, 1926	March 1, 1940	9668
3	Heerman, H.H.	Oct. 23, 1927	June 20, 1920	9308
4	Peterson, H.W.	Nov. 1, 1927	March 1, 1940	9516
5	Pokrant, M. #	Jan. 21, 1929	March 1, 1940	9503
6	Foran, Thos.	June 20, 1929	Sept. 21, 1928	9238
7	Wolf, A.	June 21, 1929	Oct. 3, 1928	9635
8	Ferguson, C. #	Sept. 30, 1929	June 19, 1929	9720
9	Weber, Jos.	Sept. 30, 1929	June 21, 1929	9634
10	Mitchell, R.D.	Oct. 9, 1929	March 4, 1940	9408
11	Doty, W.S.	Nov. 12, 1929	June 27, 1929	9197
12	King, Wm.	July 16, 1930	Sept. 8, 1929	9362
13	Dalé, R.L. *	July 17, 1930	Oct. 2, 1929	9910
14	Hummel, O.B.	Sept. 1, 1940	March 1, 1940	9914
15	Hanninger, E.K.	Dec. 1, 1940	Dec. 6, 1940	9920
16	Moore, B. O.	Dec. 1, 1940	Nov. 30, 1940	9919
17	Hlivak, P.	Dec. 1, 1940	Dec. 5, 1940	9921
18	Gala, S.J.	Nov. 30, 1941	Nov. 26, 1941	39155
19	Arena, J.	Dec. 3, 1941	Dec. 4, 1941	39158
20	Pentz, J.	Dec. 10, 1941	Dec. 5, 1941	39161
21	Slovenkay, S. *	Feb. 8, 1942	Feb. 12, 1942	39188
22	Glenn, E.F.	Feb. 20, 1942	March 6, 1942	39197
23	Arbucklo, H.E.	Aug. 9, 1942	Aug. 9, 1942	39258
24	Galvin, R.P.	Aug. 10, 1942	Aug. 10, 1942	39270
25	Galvin, R.W.	Aug. 10, 1942	Aug. 10, 1942	39292
26	Giovanetti, P. *	Aug. 13, 1942	July 1, 1924	8940
27	Garret, E.E.	Dec. 26, 1942	Nov. 6, 1942	39344
28	Weyls, G.O.	Dec. 26, 1942	Nov. 24, 1942	39312
29	Chelarin, G.P.	Feb. 28, 1943	Feb. 27, 1943	39349
30	Hahn, W.W.	March 6, 1943	March 6, 1943	39352
31	Bridell, W.E.	May 1, 1944	March 25, 1944	39469
32	Day, K.E.	July 30, 1944	July 20, 1944	39513
33	Millard, K.V.	Aug. 10, 1944	Aug. 10, 1944	39520

THE CLEVELAND UNION TERMINALS COMPANY

SENIORITY ROSTER -- JANUARY -- 1965

* Denotes Official Position

Denotes Disability Pension

% Denotes Furloughed

& Denotes Leave of Absence

Seniority -- Name	Bkm. Sen. Date.	Sw. Tender. Sen. Date.	Ident No.
34 -- Preston, H.T.Jr.	Dec. 17, 1944	Dec. 17, 1944	39570
35 -- Buossing, J.	Jan. 30, 1945	Jan. 30, 1945	39598
36 -- Morris, G.R.	April 27, 1945	April 27, 1945	9483
37 -- Anderson, H.	Aug. 14, 1945	Aug. 14, 1945	39676
38 -- Uhar, F.C.	Aug. 20, 1945	Aug. 20, 1945	39678
39 -- Gratson, M.	Aug. 21, 1945	Aug. 21, 1945	39682
40 -- Tannonbaum, S.	Oct. 26, 1945	Oct. 26, 1945	39701
41 -- Tomczak, C.C.	Jan. 6, 1946	Jan. 3, 1946	39730
42 -- Grady, Wm.	Jan. 12, 1946	Jan. 12, 1946	39751
43 -- Gentile, Geo.	March 15, 1946	March 15, 1946	39762
44 -- McLaughlin, M.J.	April 12, 1946	April 12, 1946	39783
45 -- Acree, J.F.	April 30, 1946	April 30, 1946	39736
46 -- Benko, E.J.	May 1, 1946	May 1, 1946	39788
47 -- Knapik, M.J.	May 2, 1946	May 2, 1946	39600
48 -- Potosky, W.J.	June 11, 1946	June 11, 1946	39794
49 -- Leisher, Wm.	July 18, 1946	July 18, 1946	39805
50 -- Gastony, J.D.	July 19, 1946	July 19, 1946	39801
51 -- Doran, H.E.	Nov. 1, 1946	Nov. 1, 1946	39859
52 -- Augustus, A.	Nov. 19, 1946	Nov. 19, 1946	39866
53 -- Sims, C.	Feb. 18, 1947	Feb. 18, 1947	39886
54 -- Bauorlo, C.M.	Dec. 2, 1947	Dec. 2, 1947	39960
55 -- Beedlow, R.	Aug. 6, 1948	Aug. 6, 1948	9688
56 -- Schrooder, F.J.	June 27, 1950	June 27, 1950	39166
57 -- Prochaska, Wm.	Dec. 5, 1950	Dec. 5, 1950	39271
58 -- Steimle, C.	Aug. 2, 1951	Aug. 2, 1951	9589
59 -- Smith, W.C. %	Jan. 24, 1953	Jan. 24, 1953	9734
60 -- Boros, J.J. %	Oct. 6, 1955	Oct. 6, 1955	49401
61 -- Bogdon, A. %	Oct. 23, 1955	Oct. 23, 1955	49432
62 -- S aid, Badr. %	Oct. 23, 1955	Oct. 23, 1955	49412
63 -- Lengoll, W.P. %	Sept. 17, 1957	Sept. 17, 1957	49862

THE NEW YORK CENTRAL RAILROAD COMPANY
 NYC & BIG FOUR JOINT YARD BRAKEMEN SENIORITY ROSTER
 2-16-55

SENIORITY

2104-B	NAME	OCCUPT	LOCTN	STATUS	SEN DATE
1	FEDAK	E			03-19-29
2	CONNOLLY	JJ			06-04-29
3	MCKEAN	MJ			06-05-29
4	FORBES	GM			06-17-29
5	MOIZUK	RA			06-17-29
6	LLEWELLYN	DT			08-09-29
7	BARNICK	M			09-03-29
8	MCCRUIDEN	J			01-20-41
9	YOUNG	HI			01-20-41
10	MARTIN	C			01-20-41
11	KEATING	TG			01-20-41
12	ZAHNKE	J			01-20-41
13	BOLAN	JA			01-20-41
14	BUSCH	HM			01-20-41
15	KRONK	W			01-20-41
16	KNEZINEK	F			01-20-41
17	RYAN	ES			01-20-41
18	NEALE	JA		YARDMASTER	01-20-41
19	KELZ	JG			01-20-41
20	OKICKI	TB			01-20-41
21	KING	WJ			01-20-41
22	OBLAK	MS			01-20-41
23	JERIC	M			01-20-41
24	YAKOS	JW			01-20-41
25	NEVILLE	WT			01-20-41
26	VENCL	AJ			01-20-41
27	KEATING	JE			01-20-41
28	MEISNER	JW			01-20-41
29	LITTLE	H			01-20-41
30	BURKE	TF			01-20-41

WEG & BIG FOUR JOINT YARD BRAKEMEN SENIORITY ROSTER - Cont'd.

2-16-65

SENIORITY

2104-B	NAME	OCCUPY	LOCTN	STATUS	SEN DATE
451	HEEMAN	HH	C.U.T.		09-10-64
452	PETERSON	HW	C.U.T.		09-10-64
453	POKRANT	M	C.U.T.	P	09-10-64
454	FORAN	T	C.U.T.		09-10-64
455	WOLF	A	C.U.T.		09-10-64
456	FERGUSON	C	C.U.T.	P	09-10-64
457	WEBER	J	C.U.T.		09-10-64
458	MITCHELL	RD	C.U.T.		09-10-64
459	DOTY	WS	C.U.T.		09-10-64
460	KING	W	C.U.T.		09-10-64
461	DALE	RL	C.U.T.		09-10-64
462	HUMMEL	OB	C.U.T.		09-10-64
463	HENNINGER	EK	C.U.T.		09-10-64
464	MOORE	BO	C.U.T.		09-10-64
465	HLIVAK	P	C.U.T.		09-10-64
466	CALA	SJ	C.U.T.		09-10-64
467	ARENA	J	C.U.T.		09-10-64
468	PENTZ	J	C.U.T.		09-10-64
469	SLOVENKAY	S	C.U.T.		09-10-64
470	GLENN	EF	C.U.T.		09-10-64
471	ARBUCKLE	HE	C.U.T.		09-10-64
472	GALVIN	RP	C.U.T.		09-10-64
473	GALVIN	RW	C.U.T.		09-10-64
474	GIOVANETTI	P	C.U.T.		09-10-64
475	GARRET	EE	C.U.T.		09-10-64
476	WEYLS	GO	C.U.T.		09-10-64
477	CHELARIN	GP	C.U.T.		09-10-64
478	HAHN	WW	C.U.T.		09-10-64
479	BRIDELL	WE	C.U.T.		09-10-64
480	DAY	KB	C.U.T.		09-10-64

P Disability Pension

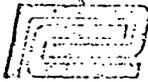
NYC & BIG FOUR JOINT YARD BRAKEMEN SENIORITY ROSTER - Cont.

SENIORITY

2-16-65

2104-B	NAME	OCCUP	LOCTN	STATUS	SEN DATE
481	MILLARD	KV	C.U.T.		09-10-64
482	PRESTON JR	HT	C.U.T.		09-10-64
483	BUSSING	J	C.U.T.		09-10-64
484	MORRIS	GR	C.U.T.		09-10-64
485	ANDERSON	H	C.U.T.		09-10-64
486	UHER	FC	C.U.T.		09-10-64
487	GRATSON	M	C.U.T.		09-10-64
488	TANNENBAUM	S	C.U.T.		09-10-64
489	TOMCZAK	CC	C.U.T.		09-10-64
490	GRADY	W	C.U.T.		09-10-64
491	GENTILE	G	C.U.T.		09-10-64
492	MCLAUGHLIN	MJ	C.U.T.		09-10-64
493	ACREE	JF	C.U.T.		09-10-64
494	BENKO	EJ	C.U.T.		09-10-64
495	KNAPIK	MJ	C.U.T.		09-10-64
496	POTOSKY	WJ	C.U.T.		09-10-64
497	LEISHER	W	C.U.T.		09-10-64
498	GASTONY	JD	C.U.T.		09-10-64
499	DRAN	HE	C.U.T.		09-10-64
500	AUGUSTUS	A	C.U.T.		09-10-64
501	SIMS	C	C.U.T.		09-10-64
502	BAUERLE	CM	C.U.T.		09-10-64
503	BEEDLOW	R	C.U.T.		09-10-64
504	SCHROEDER	FJ	C.U.T.		09-10-64
505	PROCHASKA	W	C.U.T.		09-10-64
506	STEIMLE	C	C.U.T.		09-10-64
507	BOROS	JJ	C.U.T.		09-10-64
508	BOGDEN	A	C.U.T.		09-10-64
509	LENGELL	WP	C.U.T.		09-10-64





PENN CENTRAL COMPANY

Collinwood, Ohio
May 2, 1969

REGISTERED MAIL - RETURN RECEIPT

C. Steimle, Jr.

12224 Lorain Ave.

Cleveland, Ohio

Dear Sir:

Article 6 of the Agreement effective February 16, 1965 which provides for the "top and bottom seniority roster consolidation of NYC Cleveland Terminal District (Freight Yard) yard service employees and C.U.T. yard service employees" reads as follows:

"All furloughed employees on the present separate seniority rosters will be recalled to service before new men are employed. Cleveland Union Terminals Co. yardmen recalled from furlough for assignments, including the extra list, in NYC Cleveland Freight Yard territory must report for service within fifteen days of the date notified by U. S. Mail at their last known address or forfeit all seniority in both territories."

Your seniority in the former NYC Cleveland Terminal District (Freight Yard) is such that you now stand for work in that territory. You are hereby recalled to active service in said freight yard territory and you have fifteen (15) days or until May 20, 1969, to report for service. Failing to do so you will forfeit all seniority on the Cleveland Union Terminals Company as well as on the Penn Central unless, of course, you are unable to pass the required return to service physical examination at this time.

Yours truly,

D. J. Weisbarth
General Yardmaster

CC: O. A. Williams
~~H. A. Anderson~~
S. J. Cala
J. Rose, Jr.

May 19, 1969

Mr. D. J. Weisbarth
General Yardmaster
Penncentral Transportation Company
Collinwood Yards
Cleveland, Ohio

re: Recall notice dated May 2, 1969

Dear Mr. Weisbarth:

Your letter of May 2, 1969, stated in part as follows:
"Your seniority in the former NYC Cleveland Terminal District (Freight Yard) is such that you now stand for work in that territory. You are hereby recalled to active service in said freight yard territory and you have fifteen (15) days or until May 20, 1969, to report for service. Failing to do so you will forfeit all seniority on the Cleveland Union Terminal's Company as well as on the Penn Central" With a full reservation of all my employment and seniority rights, and without waiving any of them, I am reporting for service as you have commanded, in order that I may not unnecessarily jeopardize my employment and seniority rights.

In this connection you have been provided with a copy of Mr. C. L. Stalder's letter of May 16, 1969, to which I take a number of exceptions, some of which are stated herein. Mr. Stalder's letter says that my marking up for service "will not affect any rights presently held by you, if any, to any 'protective benefits' under the terms of the Merger Agreement" I wish at the outset to make it absolutely clear that my reporting for service as you command is not to be construed in any way as a relinquishment of my rights under the Merger Agreement or as an indication of a feeling on my part that I may not have rights under the Merger Agreement, or as a result of the Co-ordination Notice given by Penn Central on April 28, 1969.

I note that Mr. Stalder's reply failed to answer several of my inquiries, including my questions concern-

May 19, 1969

Page 2.

ing the enforcement of all agreements as required by Articles 8 and 9 of the February 16, 1965 Agreement. I also take exception to Mr. Stalder's statement in item (4) of his letter that my status is well defined "by the February, 1965 Agreement since there has never been reciprocal consolidation of the NYC Freight Yard and the NYC-CUT Yardmen's seniority rosters."

May I reiterate that I am not relinquishing any rights which I now have by virtue of the decisions of several federal agencies, which previously have determined my status as a NYC employee, and by virtue of my entitlement to protective benefits under the NYC-PRR Merger Agreement and/or the April 28 Notice of Co-ordination.

Yours truly,

Walter J. Putasky
Antonio Augustus
Jim Tamenbaum
George A. Smith
Michael J. M. Laughlin
Edward Berks
C. C. Tomczak
H. E. Gandy
C. F. Fierola Jr.
Jack F. Acme
W. E. Moran
A. Budow

cc: O. Williams, Local Chairman,
Local 875, UTU

I. A. Lyons, General Chairman,
Lines West, UTU

Date. June 30 - 1968

Mr. D. Weisberth C.Y.M.
Collinwood Yard
PennCentral RR Co.
Cleveland Ohio.

Dear Sir;

This is to notify you that my application of work today in the Freight Yard territory is under protest. That if you assign me to any work in the Freight Yard territory it shall be outside of any terms spelled out in my furlough agreement.

That my applicable seniority in this acceptance of work in the Freight Yard territory shall be governed by the resolution of this matter with the Railroad Retirement Board and also as a member of ledge #927 B of R T.

Will you please index this letter in your office as a matter of record and until advised otherwise.

Yours truly

J. D. Gastory
625992

C.U.T. restor yardman #2186
Assigned man number, _____

AGREEMENT BETWEEN PENN CENTRAL, CLEVELAND UNION TERMINALS COMPANY AND THE EMPLOYEES OF BOTH CARRIERS REPRESENTED BY UNITED TRANSPORTATION UNION (FORMER BROTHERHOOD OF RAILROAD TRAINMEN) TO PROVIDE FOR THE CO-ORDINATION OF THE YARD OPERATIONS OF CLEVELAND UNION TERMINALS COMPANY WITH THOSE OF PENN CENTRAL IN THE CLEVELAND, OHIO TERMINAL.

WHEREAS, the Carriers served Notice on the Organization on April 28, 1969 of intent to co-ordinate the present separate yard operations of the Cleveland Union Terminals Company with the Cleveland Yard operations of Penn Central under the terms and conditions of the Agreement of May, 1936, Washington, D. C., and

WHEREAS, the parties hereto have determined that the total yard work in the merged Penn Central - Cleveland Union Terminals Company, Cleveland, Ohio yard territory should be divided on a pre-determined ratio of 65.1% for former New York Central Railroad yardmen, 32.4% for former Pennsylvania Railroad Yardmen and 2.5% for former Cleveland Union Terminals Company yardmen; NOW THEREFORE:

IT IS AGREED:

1. The yard operations of the Cleveland Union Terminals Company will be co-ordinated with and merged into Penn Central's Cleveland, Ohio yard operations effective August 1, 1969.
2. Yard service employees having a seniority date prior to February 16, 1965 on the Cleveland Union Terminals Company property will have preferential bidding rights, in the order of their relative standing on the Cleveland Union Terminals Company seniority roster in effect prior to February 16, 1965, for all assignments allocated to the Cleveland Union Terminals Company in the application of the herein agreed to pre-determined ratio. They will also have secondary prior rights to assignments allocated to former New York Central Yardmen in the merged Cleveland Terminal based on their September 10, 1964 seniority in the former New York Central Freight Yard territory as established by agreement between the former New York Central and Cleveland Union Terminals Company with the yard service employees of those Carriers represented by the former Brotherhood of Railroad Trainmen effective February 16, 1965. Such former employees of the Cleveland Union Terminals Company will likewise stand for service in the Penn Central seniority district identified as Ohio No. 4 on the basis of their September 10, 1964 seniority date presently carried on the roster of train service employees in that seniority district.
3. It is understood that the assignments allocated to former Cleveland Union Terminals Company in the application of the herein referred to "pre-determined ratio" will be those assignments handling the work in the passenger station (CUT), Mail Hall and Express Shed. If, at any time, there is an insufficient number of such assignments to give the former Cleveland Union Terminals Company yardmen their pre-determined ratio of total assignments the parties hereto will select the assignment(s) in the merged terminal on which these employees will have preferential rights to maintain their equity.

4. On the effective date of this Agreement all prior agreements in effect between the Cleveland Union Terminals Company and its yard service employees represented by the former Brotherhood of Railroad Trainmen will be abrogated and all agreements presently and hereafter in effect for Penn Central employees in former New York Central Cleveland Yard territory will govern, subject to the terms and conditions of the agreement implementing the merger of the former New York Central and Pennsylvania Railroad Cleveland Yard territories effective March 18, 1968.

5. It is understood that the pre-determined ratio of 2.5% for former employees of the Cleveland Union Terminals Company as herein established is subject to change concurrently with any agreed to change in the pre-determined ratio as established effective March 18, 1968 for former New York Central and former Pennsylvania Railroad Yard service employees in the merged Cleveland Terminal.

6. It is further understood that the pre-determined ratio for former employees of the Cleveland Union Terminals Company will be adjusted downward at anytime there are insufficient prior right Cleveland Union Terminals Company employees to fill all assignments to which they would otherwise be entitled and such ratio will be cancelled completely when there are no longer any employees having a seniority date prior to February 16, 1965 on the Cleveland Union Terminals Company property. When that occurs the pre-determined ratio for former New York Central and former Pennsylvania Railroad yardmen in the merged Cleveland, Ohio terminal will revert to that in effect prior to the effective date of this agreement, which is 66.8% for former New York Central and 33.2% for former Pennsylvania Railroad, subject to the right of the signatory General Chairmen to change said 66.8% - 33.2% ratio.

7. In consideration of the factual situation present in this case and without prejudice to the position of any of the parties in any other case of a like or similar nature it is understood and agreed that Cleveland Union Terminals Company yard service employees affected by this merger of the Cleveland Terminal will, effective on the date this agreement is consumated, become subject to all the terms and conditions of the Merger Protective Agreement between the former New York Central, the former Pennsylvania and the former Brotherhood of Railroad Trainmen. It is further understood that the Cleveland Union Terminals Company and former New York Central Railroad earnings during the test period established by Appendix E of the Merger Protective Agreement will be combined for the purpose of computing the earnings guarantees for Cleveland Union Terminal employees who are entitled to such guarantees under the provisions of this agreement subject to the qualifying conditions of the November 16, 1964 Merger Protective Agreement and appendices thereto.

8. This Agreement shall become effective August 1, 1969 and as of that date will cancel and supersede the Agreement made March 31, 1952 to become effective April 1, 1952 by and between the former New York Central Railroad, Cleveland Union Terminals Company and the employees of both Carriers represented by the then Brotherhood of Railroad Trainmen and all other agreements purporting to allocate work between former New York Central and Cleveland Union Terminals Company yard service employees.

FOR THE UNITED TRANSPORTATION UNION (T):

[Handwritten signature]

General Chairman
(Former Pennsylvania Railroad)

[Handwritten signature]

General Chairman
(Former New York Central Railroad - West
and Cleveland Union Terminals Company)

FOR THE CARRIERS:

(Penn Central and Cleveland Union
Terminals Company)

[Handwritten signature]

[Handwritten signature]

Directors Labor Relations Planning

Dated at:
Cleveland, Ohio
July 11, 1969

