

TERM SHEET

Between

PACIFIC HARBOR LINE, INC

and

Its Employees Represented By

BROTHERHOOD OF LOCOMOTIVE ENGINEERS and TRAINMEN

PHL and the BLET are parties to a collective bargaining agreement that became effective September 20, 2020 ("2020 Agreement"). In the interest of promoting harmonious labor relations and proactively resolving the terms of their collective bargaining through 2027, the parties have agreed to amend the 2020 Agreement as follows. The changes shall be effective May 1, 2024, except as otherwise indicated. The parties will incorporate these changes into the revised collective bargaining agreement. The changes are as follows:

1. Effective May 1, 2024, the daily rates of pay for all BLET employees shall be increased by 5%
2. Subsequent increases:
 - a. First pay period after September 1, 2024 3.0 percent
 - b. First pay period after September 1, 2024+1 yr 4.0 percent
 - c. First pay period after September 1, 2024 +2 yr 4.0 percent
3. The rate of pay for newly hired employees in Article 5 shall be increased to \$200/day or \$25/hour.

Hourly Rate Summary					
Effective Date	9/20/23	5/1/24	9/1/24	9/1/25	9/1/26
GW	2.5%	5.0%	3.0%	4.0%	4.0%
Engineer	\$32.70	\$34.34	\$35.37	\$36.78	\$38.25
AE [Cert Eng]	\$32.70	\$34.34	\$35.37	\$36.78	\$38.25
AE Only	\$28.98	\$30.43	\$31.34	\$32.60	\$33.90
Student	\$23.00	\$25.00	\$25.00	\$25.00	\$25.00
MOW Foreman	\$26.84	\$28.18	\$29.03	\$30.19	\$31.40
MOW Worker	\$23.42	\$24.59	\$25.33	\$26.34	\$27.40

4. The purpose of the agreement, as amended, is to establish the level of compensation of employees and to provide for the settlement of matters that were or could have been presented by the parties during negotiations. The Moratorium Clause will be amended to provide that the collective bargaining agreement, as amended, will become effective May 1, 2024. Accordingly, the parties will not serve nor progress, prior to March 20, 2027 any notice or proposal for changing any provision in the Agreement, such notices not to become effective prior to September 20, 2027.

<p>FOR THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN</p> <p>Brian P. Carr, General Chairman</p> <p><i>B.P. Carr</i> PENDING RATIFICATION</p>	<p>FOR PACIFIC HARBOR LINES, INC.</p> <p>Otis L. Cliatt II, President</p> <p><i>O L Cliatt II</i> 6/6/24</p>
<p>Gary Best, Vice-President</p> <p><i>GB</i> Pending Ratification</p>	