Jon S. Corzine Governor

Kris Kolluri, Esq. Board Chairman

Richard R. Sarles Executive Director



September 26, 2007

P.F. Reilly General Chairman, UTU(T) Suite 2C 48 Main St Netcong, NJ. 07857

Subject: Q&A 46(a)

Dear Mr. Reilly:

In accordance with our recent discussions regarding the application of Q&A 46 pertaining to Rule 17, it is agreed that Q&A 46 is clarified by the following:

Q 46(a):

What options does a displaced employee have?

- A: A displaced employee has three (3) options (all three options are dependent on the employee's seniority to hold a position):
  - 1. Employees may make a permanent displacement within forty-eight (48) hours of being displaced;
  - 2. Employees may temporarily exercise seniority to a vacant assignment that is subject to advertisement, under advertisement, or known to be vacant for more than five (5) days. However, the employee cannot stay on the temporary assignment for more than forty-eight (48) hours following notification, and therefore must make a permanent pick prior to the end of forty-eight (48) hours;
  - 3. An employee displaced on a Wednesday, Thursday, or Friday, may, within twenty-four (24) hours following notification, choose to make a temporary exercise of seniority to a vacant assignment that is subject to advertisement, under advertisement, or known to be vacant for more than five (5) days, in order to provide the said employee the time to review and/or displace a junior employee who was awarded a position on the current advertisement. While an employee may make a permanent pick prior, the employee must make a permanent pick on an assignment after 8:00PM Saturday, and prior to 12:00 NOON Sunday.

Under each of the three options, should the employee fail to adhere to any of the time limits set forth, the employee will either be assigned to a regular assignment or to an extra list assignment.

Mr. Patrick F. Reilly Q&A 46(a) September 26, 2007 Page 2

If the forgoing properly reflects our understanding, please indicate by signing below.

Sincerely,

will 3. Meh

William B. Murphy
Deputy General Manager
Labor Pelations/ Administration

I Concur:

Patrick F. Reilly

General Chairman- UTU