

BRCE

HIGHBALL

Brotherhood's
Relief &
Compensation
Fund

FALL
2010



A message from your president

Great news! The Fund has operated in the black for the last 18 months and has enjoyed a modest profit. The investment portfolio is in good shape, currency exchange rates remain near par, some of the losses experienced in 2007-2008 are now replenished and discipline assessed to our members on the various railroads has stabilized. It is time to share in our success by lowering the monthly dues rate. **Effective January 1, 2011, we will reduce the monthly dues rate to \$3.80 for each \$10 level.** That is a very

substantial savings over the \$4.50 per \$10 monthly rate! A member whose monthly dues now cost \$90 per month will see a reduction to \$76 per month. The lowest monthly rate in the industry.

Members on railroads that provide payroll deduction will see the impact in November and/or December for dues withdrawals applicable to 2011. Members who remit six months dues during 2010 and who enjoyed a 5% discount will be provided an additional 10% discount on outstanding months from January 2011 forward. Checks will be mailed before December 31, 2010. Members who have paid annual dues remittances in advance have already received a 15% discount on those prepaid months.

We hope that the January 2011 dues reduction is just the first of many in the years ahead. We are committed to lowering the dues even further at each opportunity. Our strategy is to examine each fiscal year with a view to a dues adjustment in January of the applicable year if circumstances permit. In order to have the flexibility to adjust dues easily and equitably we must discontinue providing discounts for six and twelve month remittances. Members may still send six or twelve month

payments if it is convenient for them and we will still send renewal reminder notices to those members. Discounts are discontinued in favor of everyone receiving a lower monthly rate.

After January 1, 2011, members will have additional options and the opportunity to manage their membership remittance without increasing their total cost. They may still elect monthly, semi-annual or annual dues payment options without any increase in expense. Monthly payment options include payroll deduction on BNSF, CSX, NS and UP.

lower monthly dues

Automatic withdrawal from your bank or credit union with our "Dues-O-Matic" program may be arranged or you may mail your dues directly to the principal office. These options will provide all members with the flexibility to manage dues remittances as best suits their needs.

We have gotten through some difficult years when discipline reached all time highs, interest rates on investments were at a low point and railroads furloughed record numbers of employees. Throughout this period, we have been dedicated to providing you with the most affordable dues, unsurpassed service and loyalty.

Things are getting better and together with your support, we will continue to provide the greatest value to members, expand to include more rail workers and grow stronger.

J.M. Robb, International President

Make Life a Little Easier . . .

Paying your monthly dues with an automatic withdrawal from your bank account will make your life easier.

Automatic, pre-authorized debit from your checking or savings account has become a big part of banking these days. It is an easy and convenient way to pay your membership dues. There are no checks to write or stamps needed. You don't have to worry about taking the time and effort to send your membership dues to the principal office every month. You eliminate the possibility of a missed or late remittance that may result in your membership inadvertently becoming delinquent or expelled. You never have to worry about forgetting to pay dues on time.

Visit our web site at www.brcf.org and in the "Forms" area you will find an enrollment form for "Dues-O-Matic." Depending on the date that your current membership dues are "paid through" and the timing of your request it may be unnecessary to send any dues along with your form, or to avoid an interruption of monthly dues you may need to send one month to get started. All you have to do is call us toll free at 800-233-7080, Monday through Friday, 8 a.m. to 4:15 p.m. Eastern time, to confirm that there will be no break in your dues remittances during the transition, then complete the initial paperwork, and send it along with a voided check. The BR&CF will take care of the rest. We will contact your bank and arrange automatic withdrawal of your monthly dues payment from your checking or savings account on the 15th of each month.

On top of the ease and convenience, you will have the personal satisfaction of "going green" with automatic withdrawals.

If you have any questions, don't hesitate to contact our office. We will be glad to help.

FASTER THAN A SPEEDING BULLET

When you receive discipline for an eligible occurrence and send us the proper documents, your request for "Held Out of Service" membership benefits will be approved and directly deposited to your bank account the next banking day. In 2010, 69% of our member requests for "Held Out of Service" membership benefits were signed waivers. Some members tell us they received their "Held Out of Service" membership benefits before they would have received their regularly scheduled paycheck from the railroad!



It's a WIN, WIN, WIN Proposition!

This is your invitation to participate in our obtainer program. Actually, you don't really need a formal invitation. All members have an equal opportunity to participate in obtaining new members.

In our obtainer program your **co-worker WINS**. They may be unaware that we offer the best job income protection in the railroad community and they may learn about the BR&CF from you. In today's rail world, all workers need protection against discipline. We offer superior protection for eligible occurrences at an affordable cost. Our service is unsurpassed.

You WIN. Just place your name and member number on the membership application where it indicates "Referring Member" and pass the application along to a co-worker. It's easy to earn **EXTRA CASH**. A member who refers an approved applicant receives 50% of the money applied as dues for three months. When the application is for an increase to an existing member's level of participation, the member providing the referral receives

50% of the dues applied on the difference between the current and the approved amount. The member must remain "In Good and Regular Standing" for three months, then we send you a check. You win because the extra cash helps defray the cost of your own membership. You will also have the personal satisfaction of helping your co-workers protect their incomes! Your referral is important, but it is simply a referral and there is no other responsibility or obligation.

The **Fund WINS**, because with loyal, dedicated members, the Fund becomes stronger. The more the Fund prospers the more the Fund can return to members.

Every member can participate in the introduction of co-workers to the Fund. If you need a supply of application forms contact our office or if it's more convenient, you may print membership application forms directly from our web site.

If every member introduces just one new member, the organization will become twice as strong.

2011 Luther G. Smith Scholarship Program

Applications are available for the 2011 Luther G. Smith Scholarship Program. Don't forget to request an application for your child. Recipients will be awarded \$1,000 for the school year 2011-2012. Follow the guidelines in the clip and save reference guide printed below and have your child submit an application no later than the deadline of March 1, 2011.

CLIP AND SAVE

LUTHER G. SMITH SCHOLARSHIP FUND "CLIP AND SAVE" REFERENCE GUIDE

ELIGIBILITY REQUIREMENTS

- Children, including adopted and step-children, of BR&CF members (excluding officers and directors) who are "In Good and Regular Standing," as defined by the BR&CF Constitution, are eligible to apply for a scholarship award.
- Applicants must be 27 years of age or younger.
- Applicants may be current high school seniors who have applied for admission as full-time students to accredited post-secondary schools OR may be attending or enrolled as full-time students in accredited post-secondary schools. Full-time is defined as 12 or more credit hours per semester.

OBTAINING AN APPLICATION FORM

- Call, write or e-mail the BR&CF office to request an application form. You may choose to receive the form by e-mail or by first class mail.
- Include your member number or Social Security number, as well as your current address, telephone number and e-mail address so that our records can be verified. If the application is to be sent to a different address from the member's, please indicate that as well.

COMPLETION AND SUBMISSION OF THE APPLICATION FORM

- All parts of the application must be completed in full (this is very important, as information provided is used by the Scholarship Committee to make their selections).
- The applicant's transcript of grades for the last marking period or semester completed must accompany all applications. High school seniors may also submit a copy of their current SAT or ACT scores.

APPLICATION DEADLINE

- Applications must be received in the Principal Office no later than March 1, 2011. Applications received after March 1, 2011, will not be considered.
- Applications received by fax or e-mail will not be accepted.

ANNOUNCEMENT OF SCHOLARSHIP WINNERS AND ISSUANCE OF CHECKS

- Names of scholarship winners will be announced at the Annual Meeting of the Members on April 23, 2011, and will be printed in the spring 2011 issue of the BR&CF newsletter, "The Highball," which will be sent to all active members.
- Checks will be issued, payable to the student, in late summer of 2011.

Improved Communication & a Money-Back Guarantee

Members will receive a revised **Constitution with a new format for Article XII (Sec. 4) that simplifies the language and will improve communication** with members. It will be distributed in December 2010. Article XII (Sec. 4) will easily identify and provide examples regarding; (1) general exclusions, (2) availability or ability to work, (3) insubordination, (4) conduct, (5) disputes, (6) contraband, (7) qualification or testing, (8) drugs and alcohol, (9) injuries, (10) intentional act(s) or act(s) of willful or wanton negligence.

The revised Constitution contains a **thirty (30) day, money-back guarantee**. Any new member shall be entitled to a full refund of all dues paid in advance provided written notice over the member's signature is received in the principal office within thirty (30) days of the effective date of their membership. Any existing member, after reviewing a revised Constitution, who desires to cancel their membership, will be entitled to a full refund of all dues paid and applied to months subsequent to the effective date of the Constitution provided written notice over the member's signature is received in the principal office within thirty (30) days of the effective date of such Constitution.

DATES TO REMEMBER

January 17, 2011

- Board of Directors Meeting in the Principal Office in Harrisburg, PA

April 18, 2011

- Board of Directors Meeting in the Principal Office in, Harrisburg, PA

April 23, 2011

- Annual Meeting of the Members in the Principal Office in Harrisburg, PA

**BR&CF
PRINCIPAL OFFICE
WILL BE
CLOSED ON
NOVEMBER 25-26, 2010,
IN OBSERVANCE
OF
THANKSGIVING!**

how to contact the home office

Local Telephone: 717-657-1890

Canada & the United States

Toll Free: 1-800-233-7080

Mailing Address: 2150 Linglestown Road
Harrisburg, PA 17110

Website: www.brcf.org

E-mail: brcf@brcf.org

Business Hours: 8:00 a.m. to 4:15 p.m.
Eastern Time (Monday - Friday)

Just the Facts – We Pay Benefits

The goal is to help members who receive discipline for eligible occurrences. Looking back over the last ten years, we processed an average of 1,388 requests for “Held Out of Service” membership benefits each year. That averages 115 requests per month. The following table indicates the percentage of requests that were eligible for “Held Out of Service” membership benefits. It shows how successful we are in helping members. I am pleased to report that our percentage increased in recent years.

| 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 87.1% | 85.2% | 83.8% | 83.1% | 84.9% | 87.9% | 87.6% | 90.3% | 90.0% | 92.5% |

It is especially impressive when you also consider that a portion of the ineligible requests for “Held Out of Service” benefits included in the statistics came from rail workers who were not BR&CF members at the time of the occurrence or from members who had become expelled for the non-payment of dues.

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