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23 December 2009

### **Engineering Staff - 2009 & 2010 Productivity Discussions/Pay Offer**

Dear Eddie

Following recent detailed productivity meetings involving yourself and Engineering Company Council, please find detailed below the offer from DB Schenker Rail (UK) Ltd to Engineering grades, covering 2009 and 2010.

As you are aware the current global economic downturn has had a significant impact on the company's revenue levels during this past 12 months, so I am pleased that we have been able to make this offer through these productivity discussions. This offer represents the best offer available from the company in the current economic climate.

#### OFFER

2009 – A taxable lump sum payment of £280 to all Engineering grades.

2010 – From 1 January 2010 an increase on basic rates of 2.35%.

Details of the productivity issues and proposed agreements on the 3 items below are attached as an appendix to this letter:

- i) 4 weekly pay for all staff
- ii) revised annual leave matrix
- iii) working time

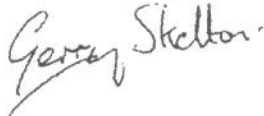
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I understand the CSEU will be putting this offer to its membership in a ballot and that the Engineering Council will be recommending acceptance of the offer.

I await from you the result of your membership and please call me if you wish to clarify any issue in respect of the productivity items.

Yours sincerely

A handwritten signature in black ink that reads "Gerry Skelton". The signature is written in a cursive style with a long horizontal stroke at the end.

**Gerry Skelton**  
Human Resources Director

Encs