Agreement between

GRAND TRUNK WESTERN RAILROAD COMPANY

and its

Employees Represented by the

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION

Including all revisions through
June 16, 2008
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(REMAINDER OF PAGE LEFT BLANK INTENTIONALLY)
GENERAL PROVISIONS

(a) Employees subject to the agreements specified in paragraph (b) will become subject to the agreement between the Grand Trunk Western Railroad (GTW) and the BMWE.

(b) The agreement between the Detroit and Toledo Shore Line Railroad (DTSL) and the Brotherhood of Maintenance of Way Employes (BMWE) and the agreement between the Detroit Toledo and Ironton Railroad (DTI) and the Brotherhood of Maintenance of Way Employes (BMWE) are eliminated in their entirety.

(c) Where the terms “he”, “him” or “his” appear in this agreement, they are not intended to be gender specific and are, therefore, intended to include the female comparable term “she”, “her” or “hers”, respectively, as appropriate.

SCOPE

These rules shall be the agreement between Grand Trunk Western Railroad Incorporated (the Company) and its employees of the classifications herein set forth represented by the Brotherhood of Maintenance of Way Employes, engaged in work generally recognized as Maintenance of Way work, such as, inspection, construction, repair and maintenance of water facilities, bridges, culverts, buildings and other structures, tracks, fences and roadbed, and work which, as of the effective date of this Agreement, was being performed by these employees, and shall govern the rates of pay, rules and working conditions of such employees. This paragraph shall neither expand nor contract the respective rights of the parties, nor infringe upon the contractual rights of other railroad crafts, in effect on the date of this agreement.

In the event the Company plans to contract out work within the scope of this Agreement, except in emergencies, the Company shall notify the General Chairman involved, in writing, as far in advance of the date of the contracting transaction as is practicable and in any event not less than fifteen (15) days prior thereto. "Emergencies" applies to fires, floods, heavy snow and like circumstances.

If the General Chairman, or his representative, requests a meeting to discuss matters relating to the said contracting transaction, the designated representative of the Company shall promptly meet with him for that purpose. Said Company and organization representatives shall make a good faith attempt to reach an understanding concerning said contracting, but, if no understanding is reached, the Company may nevertheless proceed with said contracting and the organization may file and progress claims in connection therewith.
Definitions:

(1) The term "duly accredited union representative" means an individual certified by the Brotherhood of Maintenance of Way Employes.

(2) Except as otherwise specified, all reference to number of days in this Agreement means calendar days.

(3) The terms "displace" and "displaced" as used in this Agreement mean physically assume the duties of the position.

RULE 1 - SENIORITY CLASSES

The effect of consolidation on DTSL and DTI positions that do not exist on the GTW have been resolved in a fair and equitable manner. The former DTSL and DTI seniority classifications have been converted to the current GTW seniority classifications in accordance with APPENDIX P to this Agreement.

The occupational classification, seniority and promotion districts shall be as follows:

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<th>Occupational Classification</th>
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<td>Grade 1 -</td>
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<td>Shop Foreman; B&amp;B Foreman,</td>
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<td>Terminal foreman, B&amp;B. (Detroit)</td>
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<td>Grade 2 -</td>
<td>B&amp;B, Assistant Foreman</td>
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<td>Grade 3 -</td>
<td>B&amp;B, Inspector; Special Carpenter (Detroit Bldgs); Bench Carpenter; Painter, 1st Class; Shop Machineman; Scale Inspector; Electric Welder</td>
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<tr>
<td>Grade 4 -</td>
<td>B&amp;B Carpenter, 1st Class and 2nd Class; Painter, 2nd Class, Scale</td>
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<tr>
<td>Repairman</td>
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<tr>
<td>Grade 5 -</td>
<td>B&amp;B Carpenter Helper</td>
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<tr>
<td>Grade 6 -</td>
<td>B&amp;B Laborer; Cook</td>
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WATER SERVICE DEPARTMENT

Group A

Grade 1 - Water Service Shop Foreman
Grade 2 - Water Service Foreman
Grade 3 - Plumber-Pipefitter-Tinner (All Classes)
Grade 4 - Plumber-Pipefitter-Tinner Helper

TRACK DEPARTMENT

Group A

Grade 1 - Section Foreman; Maintenance Foreman; Patrol Foreman
Grade 2 - Assistant Section Foreman; Assistant Maintenance Foreman
Grade 3 - Sectionman; Trackman

Group B

Grade 1 - Welder-Grinder
Grade 2 - Welder-Grinder Helper

Group C

Class 1 - Machine Operator of: Locomotive Cranes Burro Cranes (All Models) Hi-Rail Cranes Tampers, Multiple Automatic With Lining and/or Raising Devices Tampers - Special (Servo Chief)

Class 2 - Machine Operator of: Bulldozers (All Models) Tampers, Multiple Self-Powered Brush Cutters Tie Saw Power Tamping jack (Wire Devices) Track Liner/Wire Device Ballast Regulator Including all Attachments Tie Inserter and Scarifier
Tie Injector
Tie Bed Scarifier
Track Cleaner
Front-End Loaders & Speed Swings
Automatic Spikers
Tie Handlers
Off-Track Mowers including
Brush Hogs
Track Surfacers with Wire Devices
Track Broom
Snow Tractor
Truck Grader
Boom Trucks, Dump Trucks, Log Trucks
Grapple Trucks, Semi-LowBoy

Class 3-

Machine Operator of:

Power Adzer
Anchor Applicator
Discer
Cribber
Gauger
Power Jack
Spike Puller-Hydraulic and Mechanical
Tie Cutter (WooleryType)
Tie Removers
Hydra Renewers
Tie Plug Inserters
Tie Spacer
Rail Drill
Rail Saw

Note: 1. Employees who have obtained a Group C Machine Operator seniority date prior to the effective date of this agreement shall be grandfathered with the same Machine Operator seniority date in all three Classes (#1, #2 and #3).

Note: 2. Employees who obtain a Group C Machine Operator seniority date on or after the effective date of this agreement will establish a machine operator seniority date in the machine operator class from the date assigned to an advertised position and will establish a seniority date as of the same date in lower machine operator classes in accordance with the terms and conditions of Rules 3 and 4.

Group D

Grade 1 - Lampman

Detroit Division
Detroit Terminal
Group E
Grade 1 - Bridgetender
Division
Chicago Division
Detroit Division
Detroit Terminal

Group F
Grade 1 - Highway and Street Crossing
Watchman
Valparaiso
Chicago Division - Stillwell to Port Huron
Detroit Division---Excluding Detroit Terminal
Detroit Terminal

WORK EQUIPMENT MAINTENANCE DEPARTMENT

Group A
Grade 1 - Shop Foreman
Entire Line
Grade 2 - Assistant Shop Foreman
Grade 3 - Work Equipment Serviceman:
Work Equipment Maintainer,
1st Class; Work Equipment Welder
Grade 4 - Work Equipment Maintainer, 2nd Class
Grade 5 - Work Equipment Maintainer Helper

RULE 2 - APPLICATION FOR EMPLOYMENT

Section 1. Probationary Period

Applications for employment will be rejected within sixty (60) days after seniority date is established or applicant shall be considered accepted. Applications rejected by the Company must be declined in writing to the applicant.

Section 2. Omission or falsification of information

An employee who has been accepted for employment in accordance with Section 1 will not be terminated or disciplined by the Company for furnishing incorrect information in connection with an application for employment or for withholding information therefrom unless the information involved was of such a nature that the employee would not have been hired if the Company had timely knowledge of it.
RULE 3 - SELECTION OF POSITIONS

Section 1. Assignment to position.

In the assignment of employees to positions under this Agreement, qualification being sufficient, seniority shall govern.

The word "seniority" as used in this Rule means, first, seniority in the class or grade in which the assignment is to be made, and thereafter, in the lower classes, respectively, in the same group in the order in which they appear on the seniority roster and based on prior rights to positions on the territory, where applicable.

Only employees who had established seniority on or prior to the effective date of this agreement will be recognized as having "prior rights" to the former territories as described in Rule 4 Section 5 (c).

Preference in making assignment to a bulletined position shall be in the following order:

1. Based on prior right seniority in the grade or class on the prior rights territory in which the new position or vacancy occurs.

2. Based on prior right seniority in the group on the prior rights territory in which the new position or vacancy occurs, with preference being given to the employee with the most seniority in the highest grade within the group.

3. Based on date of entry in the department on the prior rights territory in which the new position or vacancy occurs.

4. Based on seniority in the grade or class in which the new position or vacancy occurs.

5. Based on seniority in the group in which the new position or vacancy occurs with preference being given to the employee with the most seniority on the territory in the highest grade within the group.

6. Based on date of entry in the department in which the new position or vacancy occurs.

7. Based on date of entry in the Maintenance of Way Department

While it is recognized that employees hired after the date of this agreement, who are therefore not “prior right” employees, will, from time to time be assigned to positions which are subject to prior rights, it is understood such employees will not acquire prior rights as a result of working or being assigned to a prior right position.
Section 2. Qualifications for positions.

In making application for an advertised position or vacancy, or in the exercise of seniority, an employee will be permitted, on written request or may be required, to give a reasonable, practical demonstration of his qualifications to perform the duties of the position. Such written request must be made to the Designated Company Officer within five (5) days from the date such dispute arose.

In the event no agreement occurs on the performance of an employee, the employee may request a committee to be formed of one (1) Union Representative and one (1) Company Representative to determine qualifications. If determination of the committee is not satisfactory to the employee, the procedures under Rule 24 of this Agreement may be followed.

Section 3. Advertisement and award.

(a) Positions of thirty (30) days duration or more shall be bulletined. The advertisement shall show position title, rate of pay, headquarters (initial headquarters for production gangs), tour of duty, rest days and designated meal period.

(b) Advertisements will be posted on Monday or Tuesday and shall close at 5:00 PM on the seventh (7th) day following posting. In the event that Monday or Tuesday are holidays, advertisements will be posted the following day. Advertisement will be posted at the headquarters of the gangs in the sub-department of employees entitled to consideration in filling the positions during which time an employee may file his applications.

(c) Bid for a new position or vacancy advertised under this Rule must be prepared on standard GTW job bid form and filed with the official whose name appears on the advertisement who will detach receipt, sign, and return same to the bidder. Each furloughed employee shall have the ability to submit application for any advertised position.

(d) Awards will be made and bulletin announcing the name of the successful applicant will be posted within seven (7) days after the close of the advertisement. This Rule shall not be construed so as to require the placing of employees on their awarded positions when properly qualified employees are not available at the time to fill their places, but physical transfers must be made within five (5) days.

(e) An advertisement may be canceled within seven (7) days from the date advertisement is posted.

(f) An employee who desires to withdraw their bid or application for an advertised position or vacancy must notify carrier designate by fax or phone prior to the bulletin closing.
(g) Copy of advertisements, awards and abolishments will be furnished to the Assistant General Chairman and Local Representatives.

(h) Except as otherwise provided in Rule 19, it is understood that employees shall be assigned duties associated with the job class to which assigned by bulletin award.

(i) Except as otherwise provided, all vacancies must be filled or proper abolishment notice posted.

Section 4. Filling temporary vacancies (Positions less than 30 days)

(a) A position or vacancy may be filled temporarily pending assignment. When new positions or vacancies occur, the senior qualified available employees will be given preference, whether working in a lower rated position or in the same grade or class pending advertisement and award.

When furloughed employees are to be used to fill positions under this Section, the senior qualified furloughed employees in the seniority district shall be offered the opportunity to return to service. Such employees who return and are not awarded a position or assigned to another vacancy shall return to furlough status.

(b) An employee so assigned may be displaced by a senior qualified employee working in a lower rated position or in the same grade or class, provided displacement is made prior to the starting time of the assigned tour of duty, by notice to the foreman or other officer in charge. The latter employee will not be subject to displacement from such temporary assignment by a senior employee unless the senior employee is unable to exercise seniority to another position in the senior employee’s home territory.

(c) Employees temporarily assigned in accordance with the foregoing will be governed by the starting time, headquarters, tour of duty and rate of pay of the position so filled.

The provisions of this paragraph (c) apply only when positions are filled by the Company in accordance with paragraph (a) of this Rule, and when an employee in the exercise of seniority displaces a junior employee.

The provisions of this paragraph (c) do not apply to employees assigned by the Company to fill vacancies or new positions pending assignment after they have expressed a desire not to be so assigned.

(d) An employee assigned to a temporary vacancy may, when released, return to their last assigned position without loss of seniority; in the event the last assigned position has been permanently filled by a senior employee in the exercise of seniority or abolished during the employee’s absence, such employee may exercise seniority in accordance with provisions of Rule 4, Section 2.
(e) The word "senior" as used in paragraph (a) of this Section means, first, senior in the class or grade in which the assignment is to be made and, thereafter, in the lower classes respectively, in the same group in the order in which the classes appear on the seniority roster. The word "senior" as used in paragraph (b) of this Section means either senior in the class or grade in which the assignment has been made or senior in the highest class in the same group in which the employee assigned holds seniority. In each case an employee having prior rights on the former territory will be given preference over a non prior right employee.

(f) Vacancies which are not advertised may be filled in like manner.

Section 5. Failure to qualify - Advertised position

An employee failing to qualify for a position within thirty (30) days will not acquire a seniority date on that position and will, within seven (7) days, return to the former position unless it has been abolished or filled by a senior employee, in which event the employee may exercise seniority.

Section 6. Application for former position vacated.

When an employee bids for and is awarded a position, his former position will be declared vacant and advertised. Such employee cannot make application for the position just vacated, unless the new position is abolished or the employee is displaced there from or, if the employee who filled the vacancy vacates the former position, may then make application and his application will be considered.

Section 7. Employees Retired on Disability Annuity

(a) When an employee is granted a disability annuity under the provisions of the Railroad Retirement Act, the position vacated by such employee will be bulletined as a permanent vacancy.

(b) In the event the employee granted an annuity account disability under provisions of the Railroad Retirement Act is subsequently, before reaching the age of sixty-five years, adjudged by the Railroad Retirement Board to be no longer disabled and is qualified to return to service under schedule rules and instructions in effect, the employee will be permitted to exercise displacing rights in the same manner as provided in Rule 5 of this agreement.
RULE 4 - SENIORITY

Section 1. Seniority date

(a) Except as provided in Rule 3, Section 5, seniority begins on the day the employee's pay starts. If two (2) or more employees start to work on the same day, their seniority rank on the roster will be in alphabetical order. An employee assigned to a position of higher class or grade than trackman will begin to earn seniority in such higher class or grade and lower class(es)/grades on the same seniority roster in which the employee has not previously acquired seniority from the date first awarded an advertised position in such higher class. The employee will retain and accumulate seniority in the lower class/grade from which assigned.

(b) An employee entering service in a class/grade above that of trackman will acquire seniority in that class/grade from the date assigned to an advertised position and will establish seniority as of the same date in all lower classes/grades on the same seniority roster.

Note: To obtain a seniority date of trackman pursuant to this paragraph (b) an employee entering service must work the position of trackman prior to the date assigned to an advertised position in a higher class/grade.

(c) An employee displacing a junior employee who was promoted in his absence pursuant with Rule 5(a) shall acquire the same seniority date as the employee displaced and shall rank immediately above such employee.

(d) If two (2) or more employees acquire seniority in a higher class/grade on the same day, their relative rank in the higher class/grade shall be the same as in the class/grade from which promoted. If promoted from different classes/grades, they will be ranked in accordance with their earliest seniority dates.

(e) New employees will not obtain a roster standing until they have fulfilled their probation period as provided in Section 1 of Rule 2.

Section 2. Exercise of seniority.

(a) Except as otherwise provided, an employees may exercise seniority to a positions for which they are qualified:

1. when an employee position is abolished;

2. when the senior employee displacing physically assumes the duties of the position;

3. when returning from a supervisory or official position;
4. when returning from leave of absence, sickness, jury duty, disability, special
duty, vacation or suspension and the employee’s former position has been
abolished or filled in the exercise of seniority;

5. when disqualified.

b) An employee entitled to exercise seniority must exercise seniority within
seven (7) days after the date affected. If evidence is presented to the supervisor
that extenuating circumstances beyond the employee’s control prevented the
exercise of seniority, the seven (7) days specified above shall be extended
proportionately to the extent of such employee’s absence on account of such
circumstances. Failure to do so will result in forfeiture of seniority under this
agreement and severance of all employment rights with the company.

Vacation time taken will extend displacement time to the extent of his vacation. An
employee who is unable to exercise seniority and who elects not to exercise other
seniority, shall be furloughed.

(c) Furloughed employees desiring to protect their seniority will keep their correct
address on file with the designated officer of the company and the General
Chairman.

(d) Upon request, the carrier designate shall furnish necessary information to
employees affected by force reduction either by phone, fax, or bulletin so that they
may exercise displacement rights.

Section 3. Recall from furlough status

An employee in furlough status will be subject to return to work in seniority order
within their assigned home territory in any class\grade in which they hold seniority. If
the employee fails to return to service within seven (7) days from date notified by
certified mail to the employee’s last recorded address for a position or vacancy of
thirty (30) days or more duration, the employee will forfeit seniority in the division,
and the class\grade and lower classes as they appear on the seniority roster. Forfeiture of seniority under this paragraph will not apply when an employee has
furnished satisfactory evidence to the officer signatory to notification that failure to
respond within seven (7) days was due to extenuating circumstances beyond the
employee’s control. Copy of recall letter shall be furnished the designated union
representative.

(a) Positions are offered to employees in seniority order based on “prior rights”,
where applicable. The employee must be advised of all positions, locations, and
classifications being offered within the Division. Employees have the right to accept
any position being offered or, not to accept positions being offered outside their
assigned home territory.
(b) Employees accepting positions being offered off their home territory shall be advised of all positions becoming vacant on their home territory, or closer to their place of residence that have not been filled by senior employees. Upon such notification the employees shall have the right to claim said positions in seniority order.

(c) In the event a vacancy of 30 days or more occurs on a home territory for a maintenance position and there are no available furloughed employees on the home territory, the carrier may force assign the junior employee of the home territory assigned elsewhere, provided the position is not a lower rated position.

   Note: Employees in paragraph (c) who are protected under the provisions of the amended February 7, 1965 protection agreement will be entitled to file for benefits in the event they are adversely affected by the force assignment subject to the terms and conditions of Feb 7th as amended.

(d) Production Gang vacancies which are not filled in the bidding process will be filled as follows:

1. Positions are offered to furloughed employees in seniority order from the Production List. The Production List is comprised of the Chicago, Detroit and Toledo Division Seniority Rosters. The employee must be advised of all positions, locations, and classifications being offered. Employees have the right to accept any position being offered or, not to accept positions being offered outside their assigned home territory.

2. Failing to fill all positions offered in accordance with the above section, the Carrier may recall from the Production List, in reverse seniority order (starting at the bottom with the most junior man and recalling towards the most senior furloughed man) until all positions are filled. Failing to accept a recalled position of thirty (30) days or more, without just cause, will result in forfeiture of all seniority.

3. Employees accepting positions being offered or recalled to positions in production gangs shall be advised of all positions becoming vacant on their home territory, or closer to their place of residence that have not been filled by senior employees. Upon such notification the employees shall have the right to claim said positions in seniority order as provided in Section 4 of Rule 3.

Section 4. Appointment to union official or supervisory positions - Retention of seniority

An employee now filling or who may hereafter accept a supervisory/union position in the Maintenance of Way Department, including supervisory positions represented by other unions, or official positions with the company, shall retain and accumulate seniority. An employee returning from a supervisory/union or official position must displace any junior employee in the division from which promoted within thirty (30)
days from the date he leaves such supervisory/union or official position in accordance with Section 2 (a) 3 of this Rule. Failure to exercise seniority within the prescribed time limit will result in forfeiture of seniority and all employment rights with the company.

Section 5. Seniority Divisions

(a) All current employees on the DTSL and DTI seniority rosters will be dovetailed together to form the Toledo Seniority district. The former DTI and DTSL will become separate "work territories" within the Toledo Seniority District.

(b) GTW, DTSL and DTI employees who are in active service on the effective date of this agreement and who subsequently return to active service from furlough will have prior rights to headquartered positions bulletined on their former territory.

(c) The Seniority Districts-Home Territories shall be as follows:

1. Chicago Division:

Valparaiso- Chicago, IL., Munster, IN MP 30.3 to Granger, IN., MP 111.31
Battle Creek- Granger, IN., MP 111.31 to Lansing, MI., MP 224.0

Flint- Lansing, MI., MP 224.0 to Port Huron, MI., MP 334.2

2. Detroit Division:

Detroit Terminal- Mt. Clemens MP 4.6 to MP 55.6
Shore Line MP 50.2 to MP 54.8
Holly Sub MP 4.05 to MP 10.9
Pontiac- Holly Sub MP 10.9 to MP 67.0
Pontiac Service Track MP 0.4 - MP 6.0 ( Former Belt Jct & Cass City Sub )
MP 0.0 to MP 38.5

3. Toledo Division

Shore Line MP 47 to Manhattan Jct. MP 0
Flat Rock MP 2.8 to Diane MP 39.8
Dearborn D I Jct. MP 0.1 to Rouge yard MP13. 6

The seniority districts hereby established may only be changed by agreement between the Director, Labor Relations and the involved General Chairman.

Section 6. Seniority rosters

(a) A roster, revised as of January 1 and to be posted by March 1, showing the
employee's seniority date in the appropriate seniority district will be posted within such seniority district at headquarters points where employees are required to work. Copies of all rosters will be furnished the General Chairman, Assistant General Chairman and designated Local Chairman.

(b) Employees shall have ninety (90) days from the date the roster is posted to file a protest, in writing, with the designated officer of the Company, with copy furnished to the General Chairman and Assistant General Chairman. Employees off duty on leave of absence, furlough, sickness, disability, jury duty or suspension at the time the roster is posted, will have not less than ninety (90) days from the date they return to duty to enter protest. Protests not submitted within the required time frame of this rule will not be entertained. Typographical errors or omissions shall be subject to correction at any time.

(c) Except as provided in paragraph (b) above, no change on seniority rosters will be made by the Company without conference and agreement with the involved General Chairman.

Section 7. Seniority Retention-Supervisor, etc.

(a) Effective October 17, 1986, all employees promoted subsequent thereto to official, supervisory, or excepted positions from crafts or classes represented by BMWE shall be required to pay an appropriate monthly fee, not to exceed monthly union dues, in order to retain and continue to accumulate seniority. A supervisor whose payments are delinquent shall be given a written notice by the appropriate General Chairman of the amount owed and ninety (90) days from the date of such notice to cure the delinquency in order to avoid seniority forfeiture.

(b) Employees promoted prior to October 17, 1986, to official, supervisory, or excepted positions from crafts or classes represented by BMWE shall retain their current seniority but shall be required to pay an appropriate monthly fee, not to exceed monthly union dues, in order to accumulate additional seniority.

(c) This Article shall become effective on October 17, 1986 except on such carriers where the organization representative may elect to preserve existing rules pertaining to employees retaining seniority after promotion to an official, supervisor, or excepted position and so notifies the authorized carrier representative within thirty (30) days following the date of this Agreement.

Section 8.- Termination of seniority

The seniority of any employee whose seniority is established after October 17, 1986 and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years seniority.
The “365 consecutive days" shall exclude any period during which a furloughed employee receives compensation pursuant to an I.C.C. employee protection order or an employee protection agreement or arrangement.

RULE 5 - RETURN TO DUTY AFTER LEAVE OF ABSENCE, SICKNESS, ETC. - EXERCISE OF SENIORITY

(a) An employee returning to duty after leave of absence, vacation, sickness, jury duty, disability, or suspension shall return to his former position or, exercise displacement to any position in any classification advertised during his absence or may within seven (7) days displace any junior employee promoted during his absence, subject to Rule 3, Section 1. However, if the position no longer exists or is filled by a senior employee before he is able to exercise the displacement within thirty (30) days of his return make a written request to the designated officer of the company requesting the same seniority date (one rank ahead) of the junior employee promoted subject to Sections 1 and 5 of Rule 3. Upon the employee’s request, the carrier will provide information relative to junior employees promoted during their absence.

Note: Seniority established in accord with paragraph (a), will be held in abeyance until employees meet the requirements of Sections 1 and 5 of Rule 3.

(b) If, during such absence, his former position is abolished or filled by another employee in the exercise of seniority, he may exercise seniority as outlined in Rule 4, Section 2.

(c) An employee displaced from his position by the return of an employee from leave of absence, vacation, sickness, jury duty, disability, or suspension shall exercise seniority as outlined in Rule 4, Section 2.

(d) An employee, failing to exercise seniority within seven (7) days specified in paragraph (a) of this Rule will forfeit the right to exercise seniority. This section does not apply to employees promoted to supervisory, management, and positions governed by other craft agreements.

RULE 6 - REDUCING FORCES

(a) Notice of force reduction or abolishment of positions shall be given not less than five (5) working days (four (4) working days for four (4) day gangs) in advance and bulletin shall be promptly posted identifying the positions to be abolished, except no advance notice to employees shall be required before temporarily abolishing positions or making temporary force reductions under emergency conditions, such as but not limited to flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (b) below, provided that such conditions
result in suspension of the Company's operations in whole or in part. Such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. Notwithstanding the foregoing any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four (4) hours pay at the applicable rate for his position. A copy of the bulletin shall be furnished to the designated union representatives.

(b) No advance notice shall be required before positions are temporarily abolished or forces are temporarily reduced where a suspension of the Company's operation in whole or in part is due to a labor dispute between the Company and any of its employees.

c) Except as otherwise provided in paragraph (a), this Rule will be applied so that the notice will be given on an assigned working day and within the assigned working hours of the position.

(d) Notice of abolishment cancellation shall be given to the affected employees and a bulletin posted before the close of tour of duty on the 5th day for five (5) day work week position or 4th day for four day work week position.

**RULE 7 - LEAVE OF ABSENCE**

(a) When requirements of the service will permit and if satisfactory reason is given therefore, employees, upon written request, shall be granted leave of absence for a limited time, without loss of seniority. If for thirty (30) days or less, written request must be made to the officer designated by the company. If more than thirty (30) days, request must be made to the Director, Labor Relations, in writing, with a copy to the designated union representative. Leave of absence in excess of ninety (90) days shall not be granted unless agreed to by the Director, Labor Relations and the General Chairman. Employees failing to return when leave of absence expires will forfeit seniority and employment rights unless proper extension request is made in writing and has been obtained.

(b) An employee on leave of absence who engages in outside employment, will forfeit his seniority and all employment rights unless authorized by agreement between the Director, Labor Relations and the General Chairman.

(c) Unless company medical clearance is required, the employee may return to service prior to the full completion of the leave of absence upon giving two (2) days advance notice to the Officer designated by the company.

(d) An employee shall be granted a leave of absence to serve as a duly accredited representative of the Brotherhood of Maintenance of Way Employes.
(e) An employee granted a leave of absence will retain and accumulate seniority during the period of such leave of absence.

(f) Employees serving on Committees will, on sufficient notice, be granted leave of absence and such free transportation over Railroad’s lines as is consistent with regulations of the Railroad, when called for Committee work.

RULE 8 - ACCEPTING POSITIONS UNDER OTHER AGREEMENTS

(a) Except as provided in Rule 4, Section 4, an active employee who accepts a position coming within the scope of any other agreement without having his seniority protected by an agreement between the Director, Labor Relations and General Chairman, will forfeit all seniority and employment rights under this Agreement.

(b) An active employee may be granted a leave of absence not to exceed ninety (90) days to make application for or accept a position coming within the scope of any other craft agreement. Once he has satisfied the probation period under the terms of the other craft agreement provided it does not exceed ninety (90) days, he must either return to the BMWE and exercise seniority in accord with Paragraph (a) of Rule 5, or forfeit all BMWE seniority and employment rights.

(c) An employee granted a leave in accord with paragraph (b) will have his seniority protected in the BMWE provided he continues to maintain monthly dues with the BMWE. If he fails to maintain his monthly dues during the ninety (90) days on leave, he will forfeit all BMWE seniority and employment rights under this agreement. The Carrier will advise him of such forfeiture by Certified Mail within ten (10) days of receipt of such notice from the Organization.

RULE 9 - BASIC DAY-TIME ALLOWANCES

(a) Except as otherwise provided, eight (8) consecutive hours (ten (10) hours for four (4) day gangs), exclusive of meal period, worked or held for duty, shall constitute a day.

(b) Working time shall not be reduced to less than five (5) consecutive eight (8) hour days per week or four (4) consecutive ten (10) hour days per week.

(c) When one of the holidays specified in Rule 13, occurs on a day an employee would otherwise be assigned to work, time in such week will be one (1) day, eight (8) hours for five (5) day assignment (ten (10) hours for four (4) day assignment). When such a holiday is worked, the employees will be paid at time and one half rates.
(d) This Rule shall not be construed as restricting or prohibiting changes in the number of employees based on the requirements of service.

(e) Regular established daily working hours will not be reduced below eight (8) on a five (5) day assignment or ten (10) on a four (4) day assignment to avoid making a reduction in force.

**RULE 10 - 40 HOUR WORK WEEK**

*Note:* The expressions “positions” and “work” as used in this Rule refer to service, duties or operations necessary to be performed the specified number of days per week, and not to the work week of the individual employees.

(a) General
The carrier will establish for all employees, subject to exceptions contained in these rules, a work week of 40 hours consisting of five days of eight hours each, with two consecutive days off in each seven; the work weeks may be staggered in accordance with carrier’s operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing work week rule is subject to the following provisions.

(b) Five-day Positions
On positions the duties of which can reasonably be met in five days, the days off will be Saturday and Sunday.

(c) Six-day Positions
Where the nature of the work is such that employees will be needed six days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.

(d) Seven-day Positions
On positions which have been filled seven days per week any two consecutive days may be the rest days with the presumption in favor of Saturday and Sunday.

(e) Regular Relief Assignments

1. All possible regular relief assignments with five days of work and two consecutive rest days will be established to do the work necessary on rest days of assignments in six or seven-day service or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under this agreement. When no guarantee rule now exists, such relief assignments will not be required to have five days of work per week. Relief employees shall be paid the rates applicable to the positions on which relief service is performed. If a relief assignment includes relief service on two positions on one day, the straight time rate of each position shall be paid, but this does not contemplate working a relief employee through two consecutive shifts.
(2) Assignments for regular relief positions may on different days include different starting times, duties and work locations for employees of the same class in the same seniority district, provided they take the starting time, duties and work locations of the employee or employees whom they are relieving. Exceptions to “same class” may be made where mutually agreeable to parties hereto.

(f) Deviation from Monday-Friday Week

If in positions or work extending over a period of five days per week, an operational problem arises which the carrier contends cannot be met under the provisions of paragraph (b), above, and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, and if the parties fail to agree thereon, then if the carrier nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim under the rules agreement.

(g) Nonconsecutive Rest Days

The typical work week is to be one with two consecutive days off, and it is the carrier’s obligation to grant this. Therefore, when an operating problem is met which may affect the consecutiveness of the rest days of positions or assignments covered by paragraph (c), (d), and (e), the following procedure shall be used:

1. All possible regular relief positions shall be established pursuant to this Rule 8, paragraph (e).

2. Possible use of rest days other than Saturday and Sunday by agreement or in accordance with other provisions of this agreement.

3. Efforts will be made by the parties to agree on the accumulation of rest time and the granting of longer consecutive rest periods.

4. Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.

5. If the foregoing does not solve the problem, then some of the relief or extra men may be given nonconsecutive rest days.

6. If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.

7. The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.
8. If the parties are in disagreement over the necessity of splitting the rest days on any such assignments, the carrier may nevertheless put the assignments into effect subject to the right of employees to process the dispute as a grievance or claim under the rules agreement, and in such proceedings the burden will be on the carrier to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five days per week.

(h) Rest Days of Extra or Furloughed Employees

To the extent extra or furloughed men may be utilized under the applicable agreements or practices, their days off need not be consecutive; however, if they take the assignment of a regular employee they will have as their days off the regular days off of that assignment.

(i) Beginning of Work Week

The term “work week” for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work and for unassigned employees shall mean a period of seven consecutive days starting with Monday.

(j) Sunday Work

Existing provisions that punitive rates will be paid for Sunday as such are eliminated. The elimination of such provisions does not contemplate the reinstatement of work on Sunday, which can be dispensed with. On the other hand, a rigid adherence to the precise pattern that may be in effect immediately prior to September 1, 1949, with regard to the amount of Sunday work that may be necessary is not required. Changes in amount or nature of traffic or business and seasonal fluctuations must be taken into account. This is not to be taken to mean, however, that types of work which have not been needed on Sundays will hereafter be assigned on Sunday. The intent is to recognize that the number of people on necessary Sunday work may change.

(k) Nothing in this agreement shall be construed to create a guarantee of any number of hours or days of work where none exists on August 31st, 1949.

RULE 11 - OVERTIME

Section 1. Compensation

(a) Time worked before or after and continuous with a regularly assigned eight-
hour work period shall be computed on an actual minute basis and paid for at time and one-half rates, with double time computed on an actual minute basis after sixteen continuous hours of work in any twenty-four (24) hour period computed from starting time of the employee’s regular shift.

(b) In the application of paragraph (a) above to newly hired employees temporarily brought into the service in emergencies, the starting time of such employees will be considered as of the time they commence work or are required to report.

(c) Employees required to work continuously from one regular work period to another in an emergency shall receive time and one-half rate after the expiration of the first regular work period and until the expiration of sixteen (16) hours of work, thereafter double time until the expiration of twenty-four (24) hours computed from the starting time of the employee’s regular shift. After the expiration of the twenty-four (24) hour period the rate of time and one-half or double time as the case may be will apply until released from emergency service and straight time rate for the remainder of the time worked during the regular work period as per following example:

**EXAMPLE:** An employee is regularly assigned 0730 to 1130 and 1200 to 1600 and performs service as follows:

Begins emergency service at 1200 the first day and released from emergency service at 1000 the third day.

1st day - 0730 to 1130 - 1200 to 1600
8 hours straight time

1st day - 1600 to 2400
8 hours time and one-half rate

1st day - 2400 to 0730
7 ½ hours double time rate

2nd day - 0730 to 1130 - 1200 to 1600
8 hours time and one-half rate

2nd day - 1600 to 2400
8 hours time and one-half rate

2nd day - 2400 to 0730
7 ½ hours double time rate

3rd day - 0730 - 1000
2 ½ hours time and one-half rate
3rd day - 1000 to 1130 - 1200 to 1600
5 hours straight time rate

For the purpose of applying the double time provisions of this rule the regular starting time during the week will be considered as the starting time on rest days or holidays.

(d) Time out for meal periods shall not break the continuity of service under paragraph (c) of this rule.

(e) If overtime is worked by the gang which in turn requires the Cook to perform additional service, the Cook shall be paid at time and one-half or double time rate for the same overtime hours as worked by the gang in addition to his monthly rate.

(f) Where special work is done outside of regular assignment and extra compensation is agreed upon, overtime will not apply.

(g) Employees will not be required to suspend work during regular hours to absorb overtime.

(h) Work in excess of forty (40) straight time hours in any work week shall be paid for at one and one-half times the basic straight time rate except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list or where rest days are being accumulated under paragraph (g) Item 3. of Rule 10.

(i) Employees worked more than five (5) days in a work week shall be paid one and one-half times the basic straight time rate for work on the sixth and seventh days of their work weeks, except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list or where days off are being accumulated under paragraph (g) Item 3. of Rule 10.

(j) There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight (8) paid for at overtime rate on holidays or for changing shifts, be utilized in computing the forty (40) hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computations leading to overtime.

(k) Service rendered by employees on assigned rest days shall be paid for under existing call rules unless relieving an employee assigned to such day in which case they will be paid under existing rest day rules. Where Sunday is one of the rest days existing rules providing for compensation on Sunday shall apply. Regular assigned rest days shall not be changed except after such advance notice to the employee as
is now required under applicable rules.

Section 2. Overtime calls

(a) Employees notified or called to perform service outside of and not continuous with, before or after the regular assigned working hours, unless canceled before leaving home, shall be paid a minimum of two hours and forty minutes at the rate of time and one-half, for which two hours and forty minutes’ service may be required; if held on duty in excess of two hours and forty minutes, he shall be paid for such time on the minute basis at the rate of time and one-half, providing that the rate of time and one-half shall not apply during the hours of regular work day assignments; work performed during such hours shall be paid for at the straight time rate. Time will be considered continuous if an employee is called and reports within sixty (60) minutes after his assigned working hours.

(b) The time of employees so notified to report at a designated time to perform service outside of and not continuous with the regularly assigned working hours shall begin at the time required to report and end when released at headquarters. The time of employees so called to perform such service immediately shall begin at the time called and end when they are released at their headquarters.

Section 3. Preference for overtime work.

(a) When work is to be performed outside the normal tour of duty and not in continuation of the day’s work, the senior active employee in the required job class in the assigned yard and/or road maintenance gang will be given preference for overtime work ordinarily and customarily performed by them.

(b) When the work involved is of a specialized nature, such as program work, rail laying, patrolling, etc., the gang ordinarily doing this type of work during the regularly assigned work period would be given preference for the continuation of this work outside of the regularly assigned work period with the employees in the gang being called in the order of their seniority in the required job class, if available.

(c) If other employees are required to assist in the work, other employees on the supervisor’s home territory will be called with the employees in the gang being called in the order of their seniority in the required job class, if available.

**RULE 12 - STARTING AND ENDING TIME AND CHANGES THEREIN**

(a) Time of employees will begin and end at the advertised headquarters. Time of production gang employees will begin and end at their daily reporting point.

(b) Daylight assignments shall start between 6:00 AM and 8:00 AM; however,
production gangs may be required to start between 6:00 AM and 11:00 AM from April 1, through October 15 of each year.

(c) Starting times will not be changed without first giving employees affected thirty-six (36) hours posted notice and then not more often than every seven (7) days.

(d) Employee’s time will start and end at designated Tool Houses, Outfit Cars and Shops. Time going to and from work on hand cars, motor cars or other vehicles will be included in the day’s work as time worked. Regular stating time shall be between 6:00 A.M. and 8:00 A.M. except when more than one shift is employed, or in the case of miscellaneous employees such as Crossing Watchmen, Bridgetenders, etc., the hours of duty may be arranged to conform with the requirements of service. General Chairman to be advised as to the hours of duty.

RULE 13- HOLIDAY - REST DAY WORK

(a) Service performed on assigned rest days and on the following legal holidays, namely:

In the United States

New Year's Eve
New Year's Day
Washington's Birthday
Good Friday
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
The day after Thanksgiving is observed
Christmas Eve
Christmas

shall be paid for at the rate of time and one-half, computed on the actual minute basis with a minimum of four (4) hours at the straight time rate for two (2) hours and forty (40) minutes work or less. Such work in excess of sixteen (16) consecutive hours shall be paid at the double time rate.

(b) When any of the above holidays fall on Sunday, the day observed by the State shall be considered the holiday.

(c) When a holiday falls within a four (4) day work week, it may, by agreement between the General Chairman and Director Labor Relations or other designates, be changed to the first or last work day of the work week.
RULE 14 - HOLIDAY ELIGIBILITY AND CREDITS

(a) Subject to the qualifying requirements applicable to regularly assigned employees contained in paragraph (b) hereof, each regularly assigned employee shall receive eight (8) hours pay at the straight time rate for an eight (8) hour assignment and ten (10) hours pay at the straight time rate for a ten (10) hour assignment each of the holidays enumerated in Rule 13.

Subject to the applicable qualifying requirements in paragraph (b) hereof, other than regularly assigned employees shall be eligible for the paid holidays for pay in lieu thereof, provided (1) compensation for service paid him by the Company is credited to eleven (11) or more days (5 day assignments) or nine (9) or more days (4 day assignments) of the thirty (30) days immediately preceding the holiday and (2) he has had a seniority date for at least sixty (60) days or has sixty (60) days of continuous active service preceding the holiday beginning with the first day of compensated service, provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with the union shop agreement, or disapproval of application for employment.

(b) A regularly assigned employee (employee who has completed the probation period under Rule 2 Sec 1) shall qualify for the holiday pay provided in paragraph (a) hereof if compensation paid him by the Company is credited to the workdays immediately preceding and following such holiday. If the holiday falls on the last day of a regularly assigned employee's workweek, the first workday following the rest days shall be considered the workday immediately following the holiday. If the holiday falls on the first workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

All others for whom holiday pay is provided in paragraph (a) hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one or the other of the following conditions:

(i) Compensation for service paid by the Company is credited; or

(ii) such employee is available for service.

NOTE: "Available" as used in subsection (ii) above is interpreted to mean that an employee is available unless he lays off of his own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

(c) When any of the holidays enumerated in Rule 13, or the day observed, falls during an employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for in paragraph (a) of this Rule provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays" and "days" preceding and following the holiday for such qualification purposes. An employee's vacation period will not be extended by reason of any of the conditions stated in paragraphs (a) or (b) hereof.
the eleven (11) recognized holidays, or the day observed.

(d) Special qualifying provision for employees qualifying for both the Christmas Eve and Christmas Day holiday:

An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day if on the "workday" or the "day", as the case may be, immediately preceding the Christmas Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or the "day", as the case may be, immediately following the Christmas Day holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday. An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally.

(e) Under no circumstance will an employee be allowed more than one (1) overtime payment for service performed by him on a holiday which is also a work day, a rest day and/or a vacation day.

(f) Employees working a four (4) day work week will have the actual time worked for each of the four (4) work days posted on the time cards and in addition will receive credit for one and one quarter (1 1/4) days qualifying credit, for each day worked, to be applied towards holiday eligibility requirements.

RULE 15 - ARBITRARY TO MAINTAIN EQUIPMENT

Employees working in the Occupational Classification of Track Department Group C Machine Operators operating Class 1 and Class 2 machines covered by Rule 1 shall receive an arbitrary allowance of fifty (50) minutes, pro rata rate, per regular working day for servicing their machines during their tour of duty.

RULE 16 - PRODUCTION GANGS

Section 1.

(a) The Carrier may establish System Production Rail Gangs, System Production Surface Gangs, System Production Construction Gangs, System Production Tie Gangs and System Production Support Gangs with no assigned basic headquarters to work over the entire system wherever their use may be required. Time of production gang employees will begin and end at their daily reporting point.

(b) The Carrier may establish Division Production Surface Gangs and Division Production Construction Gangs with no basic headquarters to work over the entire
territory of a division wherever their use may be required. Time of production gang employees will begin and end at their daily reporting point.

(c) When a System or Division Production Gang is to be established, the Carrier will give written notice thereof to the General Chairman, indicating the following:

(1) Type of Production Gang
(2) Estimated territory over which Production Gang is to work
(3) Estimated starting and ending times of assignment
(4) Estimated length of time Production Gang will operate
(5) Number of positions by class to be assigned to gang
(6) Number of days per week Production Gang will regularly work

(d) Production Gangs or positions assigned thereto may be terminated (abolished) earlier than the date set forth in the written notice given pursuant to paragraph (c) by proper notice to the employees.

(e) The normal work week for employees assigned to positions in System Production Gangs and Division Production Gangs consisting of four days of ten straight time hours each, with the rest days of Friday, Saturday and Sunday shall be established. The original determination of whether a System or Division Production Gang is to be established with a four or five day work week will be stated in the notice given to the General Chairman pursuant to paragraph (c) hereof. Thereafter, as the requirements of the service dictate, the work week may be changed from four days of ten straight time hours each to five days of eight straight time hours each, or vice versa, by the Designated Company Officer giving at least five calendar days written notice to the affected employees and General Chairman. Such changes may be made in less than five calendar days upon concurrence of the General Chairman.

(f) Carrier will bulletin the positions in System Production Gangs and positions in Division Production Gangs over the System.

(g) Assignments to System Production Gang positions will be made on the basis of the senior qualified applicant as provided in Rule 3 Section 1 of this Agreement, with the earliest seniority date shown on the System Production List. The System Production List will consist of the combined Toledo, Detroit and Chicago Division Seniority Rosters. Employees assigned to System Production Gangs will work with the Gang wherever their use may be required on the System.

(h) Assignments to Division Production Gang positions will be made on the basis of the senior qualified applicant holding seniority on such Division, as provided in Rule 3 Section 1 of this Agreement. Employees assigned to Division Production Gangs will work with the Gang wherever their use may be required on the Division.

(i) Effective with the date of ratification of this agreement, employees assigned to a System or Division Production Gang will, in addition to the regular compensation to
which they are entitled to under the applicable Rules of the Working Agreement, be entitled to a daily per diem allowance of $63.00 (increased to $65.00 01-1-2009) in lieu of all compensable meals and lodging for each day of the work week on which they perform service with the Gang. Lodging expense allowance of $35.00 per night for each night of the work week is part of the per diem allowance referred to above. For those employees who must travel more than one hundred (100) miles from their residence to the reporting point on the night before the first day of the work week upon presentation of receipt for lodging, shall be reimbursed up to $35.00. This allowance will be increased to $36.00 effective January 1, 2009.

(j) Effective with the date of ratification of this agreement, employees assigned to System\Division Production Gangs will in addition to the regular compensation to which entitled to under the applicable rules of this agreement, receive a reporting point allowance of $4.75 each day service is performed in addition to a per diem allowance. Employees required by management to change their reporting point during the work week will be compensated travel time and mileage in accord with Rule 23, from the previous day’s reporting point to the changed (new) reporting point. Effective January 1, 2009 the $4.75 allowance will be increased to $4.95.

(k) Employees assigned to positions in System or Division Production Gangs established pursuant to this Agreement will be allowed a weekend travel allowance of $37.00 for System and Division Gangs, for each weekend trip from their homes to their reporting point, including the initial trip when the gang is established. Effective January 1, 2009 the $37.00 weekend travel allowance will be increased to $39.00.

(l) An employee assigned to a System or Division Production Gang working a four day work week shall forfeit 25% (20% when working a five day work week) of such weekend travel allowance for each day of the work week for which he receives no compensation from the Carrier because of not having performed any service on such day.

EXAMPLE: An employee assigned to a System Production Gang working a four day work week books off sick on Wednesday. Such employee would receive $9.38 travel allowance for trip to the reporting point on the previous weekend and $9.38 travel allowance for trip from the reporting point on the following weekend.

(m) The payments referred to in paragraphs (k, l) hereof are to cover any and all expenses these employees may incur while making such weekend trips, and are in lieu of all other compensation they might be entitled to under the provisions of some other rule, Agreement or established practice for such weekend travel.

(n) Employees hired after the date of this Agreement who are immediately assigned to a System Production Gang must within ten (10) days select either the Toledo, Detroit or Chicago Division, where they desire to accumulate seniority. If no
selection is made within the ten (10) days, the employee will be assigned the Division and Home Territory nearest to his residence.

Section 2.

(a) Production Gang Foremen and Assistant Production Gang Foremen having a five-day work week will be assigned to work on each regular working day the following number of hours:

(ST-straight time, TH-time and one-half, MIN-minutes)

<table>
<thead>
<tr>
<th>Authorized complement of Gang</th>
<th>Hours Assigned</th>
<th>Gang Foreman Payment Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Employees or more</td>
<td>9 hours 40 min</td>
<td>8 hours ST, 1 hr 40 min TH</td>
</tr>
<tr>
<td>19 Employees or less</td>
<td>9 hours 20 min</td>
<td>8 hours ST, 1 hr 20 min TH</td>
</tr>
</tbody>
</table>

Gang Assistant Foreman

| 20 Employees or more          | 9 hours      | 8 hours ST, 1 hr TH       |
| 19 Employees or less          | 8 hours 40 min| 8 hours ST, 40 min TH     |

(b) Production Gang Foremen and Assistant Production Gang Foremen having a four-day work week will be assigned to work on each regular working day the following number of hours:

<table>
<thead>
<tr>
<th>Authorized complement of Gang</th>
<th>Hours Assigned</th>
<th>Gang Foreman Payment Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Employees or more</td>
<td>12 hours 5 min</td>
<td>10 hours ST, 2 hrs 5 min TH</td>
</tr>
<tr>
<td>19 Employees or less</td>
<td>11 hours 40 min</td>
<td>10 hours ST, 1 hr 40 min TH</td>
</tr>
</tbody>
</table>

Gang Assistant Foreman

| 20 Employees or more          | 11 hours 15 min| 10 hours ST, 1 hr 15 min TH|
| 10 Employees or less          | 10 hours 50 min| 10 hours ST, 50 min TH     |

(c) The number of hours of the working assignment for Foremen and Assistant Foremen of Production Gangs will not be reduced where, because of a shortage of help, the gang is below the authorized complement. Provided, however, that the Carrier reserves the right to change the authorized complement of a gang at the discretion of the Designated Company Officer.

(d) Employees assigned to Production Gangs shall be provided toilet facilities and the facilities will be maintained in a clean and sanitary condition. If the toilet facilities are not made available at the worksite, the company will provide a vehicle for use in driving to and from the worksite and the toilet facility. Carrier will provide soap,
towels, etc., as is necessary for the employees to clean-up in preparation for meal periods.

(e) Employees assigned to Production Gangs will be timely provided all advertisements, abolishments, awards, changes of starting times, work week, etc., as required under this agreement.

(f) Carrier will assign MW Employees as Gang Watchmen to provide protection for Production Gangs as required under the FRA Roadway Worker Rules.

(g) Carrier will provide safe and adequate parking for Production Gang employees.

**RULE 17- PRIOR CONSULTATION REGARDING CHANGE IN WORK METHODS**

(a) In the event a carrier decides to effect a material change in work methods involving employees covered by the rules of the collective agreement of the organization party hereto, said carrier will notify the General Chairman thereof as far in advance of the effectuation of such change as is practicable and in any event not less than fifteen (15) days prior to such effectuation. If the General Chairman or his representative is available prior to the date set for effectuation of the change, the representative of the carrier and the General Chairman or his representative shall meet for the purpose of discussing the manner in which and the extent to which employees represented by the organization may be affected by such change, the application of existing rules such as seniority rules, placement and displacement rules and other pertinent rules, with a view to avoiding grievances arising out of the terms of the existing collective agreement and minimizing adverse affects upon the employees involved.

(b) As soon as it is convenient after the effective date of this agreement, and upon request at reasonable intervals thereafter, the carrier and the General Chairman or his representative will meet informally in a conference to discuss such suggestions as the General Chairman may have to minimize seasonal fluctuations in employment.

(c) This Rule does not contain penalty provisions and it does not require that agreements must be reached as the right of the carrier to make changes in work methods or to continue existing practices subject to compliance with the collective agreement is not questioned. (Rule 17 is an Excerpt from National Agreement signed at Chicago, Illinois, October 7, 1959.)
RULE 18 - MEALS AND LODGING

Section 1 - Meal Period

(a) Except as otherwise provided in these rules, eight (8) consecutive hours, exclusive of the meal period, shall constitute a day’s work.

(b) For regular operations requiring continuous hours, eight (8) consecutive hours without meal period may be assigned as constituting a day’s work, in which case not to exceed twenty (20) minutes shall be allowed in which to eat, without deduction in pay, when the nature of the work permits.

(c) A meal period will be allowed as near the middle of the shift as possible but will start not later than five (5) hours after beginning work; such meal period will be of not more than one hour’s duration.

(d) Employees shall not be required to work more than six (6) hours after their first meal period without being furnished meals by the Company. Employees governed by Rule 16 (Production Gangs) shall not be required to work more than six (6) hours after their first meal period until they are provided their second meal period. Subsequent meal periods will be allowed at five (5) hour intervals. The second and subsequent meals shall be furnished by the Company for other than Production Gangs. Production Gang Employees and those governed by Rule 16 shall have their third and subsequent meals furnished by the Company. The company will make every reasonable effort to be sure the meals are hot and substantial. Time eating such meals will be considered as time worked.

(e) For regular operations requiring consecutive eight (8) hour tricks, employees assigned thereto will be allowed a maximum of twenty (20) minutes in which to eat without deduction in pay. Employees assigned to positions of track, bridge, highway, and railroad crossing watchmen shall be allowed twenty (20) minutes within which to eat without deduction in pay, and will be held responsible for their regular duties during this twenty (20) minute period.

Section 2- Meals-Lodging

Employees other than covered by Rule 16:

(a) Employees taken off their assigned work temporarily in emergency cases of handling snow plows, flangers, or performing service at accidents, will be furnished meals and lodging at the carrier’s expense.

(b) Welders-Grinders, Welder-Grinder Helpers and Machine Operators will be reimbursed for mid-day lunch expense incurred when they are required by their assignment to be twenty (20) miles or more from their headquarters at mid-day. Patrol Foremen will be reimbursed for mid-day lunch expense incurred when they are required by their assignment to be away from their headquarters at mid-day. B
& B Department and Work Equipment Maintenance Department employees will be reimbursed for mid-day lunch expense incurred when they are required by their assignment to be ten (10) miles or more from their headquarters or camp cars at mid-day.

(c) B & B Floating Gangs and Crane Operators required by their assignments to work away from home shall be reimbursed for lodging, meals and weekend travel allowances as provided in Rule 16, Section 1(i,k).

(d) Work Equipment Department Employees will be reimbursed for actual reasonable expenses for meals and lodging when they are required by their assignment to work away from home.

RULE 19 - ASSIGNMENT TO HIGHER OR LOWER RATED POSITIONS

An employee may be temporarily assigned to different classes of work within the range of his ability. In filling the position which pays a higher rate, he shall receive such rate for the time thus employed, except, if assigned for more than four (4) hours, he shall receive the higher rate for the entire tour. If assigned to a lower rated position, he will be paid the rate of his regular position.

RULE 20 - ATTENDING COURT

(a) When attending court as witness for the Company, an employee will be allowed compensation equal to what would have been earned had such interruption not taken place, and, in addition thereto, reasonable actual expenses while away from headquarters.

(b) If an employee is required to attend court as a witness for the Company on a day when not assigned to work, the employee will be allowed eight (8) hours’ pay at his straight time rate (ten (10) hours if assigned ten (10) hours schedule) and, in addition thereto, reasonable actual expenses while away from headquarters.

(d) All fees and mileage accruing to an employee required to attend court as a witness for the Company will be reimbursed by the Company.

RULE 21 - PAYMENT FOR ATTENDING INVESTIGATIONS AND FACT-FINDING HEARINGS

(a) When practicable, investigations and fact-finding hearings prior to an investigation will be held during assigned working hours.
(b) When attending an investigation or fact-finding hearing prior to an investigation by direction of an officer of the company, an employee shall not suffer any loss of compensation.

(c) An employee attending an investigation or fact-finding hearing prior to an investigation that continues beyond the end of his tour of duty shall be compensated at the overtime rate for the time spent in attending such investigation or fact-finding hearing.

(d) Actual, pertinent witnesses who attend investigations or fact-finding hearings prior to an investigation will be paid in the same manner as applicable by this rule.

(e) The above provisions do not apply to employees who are withheld from service pending investigation in accordance with Rule 25, Section 1(b), and found guilty.

RULE 22 - EXAMINATIONS - PHYSICAL AND OTHER

When examinations are required by the Company, arrangements shall be made to take them without loss of time.

(a) Employees will not be paid for examinations required if an employee is returning from furlough, discipline, leave of absence or from absence caused by sickness, disability, or medical disqualification when such examinations are not given during the employee's tour of duty.

(b) Employees required to take examinations, other than those covered by paragraph (a) of this Rule outside the hours of their regular tours of duty will be paid therefore under the provisions of Rule 11. This includes urinalysis screening.

RULE 23 - WAITING OR TRAVELING BY DIRECTION OF COMPANY

(a) An employee covered by this Rule shall be furnished with free transportation by the Railroad Company in traveling from headquarters point to another point, and return, from one point to another. If such transportation is not furnished, he will be reimbursed for the cost of rail fare if he travels on other rail lines, or the cost of other public transportation used in making the trip; or if he has an automobile, he will be paid the Company uniform automobile allowance currently in effect for each mile traveled from his headquarters point to the work point, and return, and from one work point to another.
(b) An employee who is not furnished means of transportation by the Railroad Company from one work point to another and who uses other forms of transportation for this purpose shall be reimbursed for the cost of such other transportation. If he uses his personal automobile for this purpose in the absence of transportation furnished by the Railroad Company he shall be reimbursed for such use of his automobile. If an employee’s work point is changed during his absence from the work point on a rest day or holiday this paragraph shall apply to any mileage he is required to travel to the new work point in excess of that required to return to his former work point.

(c) Except as otherwise provided in this agreement, an employee waiting and/or traveling by train, motor car, or any other method of transportation by the direction of the company outside his regular working hours will be allowed time and one-half for actual time waiting and/or traveling during or outside of the regularly assigned hours, except:

An employee will not be allowed time while traveling in the exercise of seniority or between his home and designated assembling points, or for other personal reasons.

RULE 24 - CLAIMS AND GRIEVANCES

(a) A claim or grievance must be presented, in writing, by an employee or on his behalf by his union representative to the Officer designated by the company, within sixty (60) days from the date of the occurrence on which the claim is based. The designated official of the company shall render a decision within sixty (60) days from the date same is filed, in writing, to whoever filed the claim or grievance (the employee or his union representative). When not so notified, the claim will be allowed. Claims paid by default are not to be considered a precedent or waiver of the contentions of the employees and will not be referred to in other similar claims.

(b) A claim or grievance denied in accordance with paragraph (a) shall be considered closed unless it is appealed in writing to the designated officer of the company by the employee or his union representative within sixty (60) days from receipt of notice of disallowance. A claim or grievance appeal meeting with the employee, duly accredited representative, and or local committee will be held within sixty (60) days of the carrier’s receipt of such notice of appeal. When a claim or grievance is not allowed, Labor Relations will so notify, in writing, whoever listed the claim or grievance (employee or his union representative) within sixty (60) days after the date the claim or grievance was discussed, of the reason therefor. When not so notified, the claim will be allowed. Claims paid by default are not to be considered a precedent or waiver of the contentions of the employees and will not be referred to in other similar claims.

(c) A claim or grievance denied in accordance with paragraph (b) will be considered closed unless within nine (9) months from the date of the decision of the
Director, Labor Relations proceedings are instituted before the National Railroad Adjustment Board or such other Board as may be legally constituted therefor under the Railway Labor Act.

(d) The time limits specified in paragraph (a), (b) or (c) may be extended by agreement in any particular case. When the U.S. Mail is used, the postmark will govern in determining compliance with the various time limits.

(e) A claim may be filed at any time for an alleged continuing violation and all rights of the claimant(s) involved shall be protected by the filing of one (1) claim or grievance based thereon so long as such alleged violation, if found to be such, continues. No monetary claim shall be allowed retroactively for more than sixty (60) days prior to the filing thereof.

(f) When a claim for compensation is allowed, the employee and his union representative shall be advised, in writing, the amount and date of payment.

(g) In addition to claims and grievances, other matters may be handled at the monthly meetings with the Director, Labor Relations. Except as mutually agreed, the location of the monthly meetings will be held at a location within the proximity of the geographical boundaries of the GTW property. The Carrier and the Organization will alternate their choice of the monthly meeting and select the next location at the close of each meeting.

(h) No claims relating to inaccuracies in seniority rosters will be allowed prior to the submission of a protest in accordance with Rule 4, Section 6, nor for time periods prior to the filing of such protest.

(i) The duly accredited Organization representative will be permitted to review relevant management records for the purposes of researching issues related to enforcing the collective bargaining agreement. These records include claims, appeals, hearing/investigation records, records of employees’ statements, and safety records. The review of a personal file will require a written release from the employee.

**RULE 25 - DISCIPLINE, INVESTIGATIONS AND APPEALS**

**Section 1 – Investigations**

(a) Except as provided in Section 2 of this Rule, employees shall not be suspended nor dismissed from service without a fair and impartial investigation nor will an unfavorable mark be placed upon their discipline record without written notice thereof.
(b) When a major offense has been committed, an employee suspected by the company to be guilty thereof may be held out of service pending an investigation and he shall be given written confirmation thereof.

(c) An employee who is required to attend a fact finding hearing and or make a statement prior to an investigation in connection with any matter which may eventuate in the application of discipline to any employee, he may be represented by his accredited union representative. A copy of his statement, if reduced in writing and signed by him, shall be furnished to him and his union representative, upon request.

(d) An employee who is accused of an offense shall be given at least five (5) days advance notice, in writing, of the precise charge of which he is accused with copy to the union representative. The investigation shall be scheduled to begin within thirty (30) days from the date management had knowledge of the employee's involvement. An investigation may be postponed for a valid reason for a reasonable period of time at the request of the Company, the employee, or the employee's union representative. An investigation for a furloughed employee involving other than a major offense shall be automatically postponed and rescheduled within thirty (30) days of the employee's return to service.

(e) If the employee desires to be represented at the hearing, he may be accompanied by his duly accredited union representative. The accused employee and his duly accredited union representative will be permitted to question the witness insofar as the interests of the accused are concerned.

(f) Notice of discipline must be given within twenty (20) days following the close of the investigation. Copy of the transcript shall be given to the employee and two (2) copies to his representative.

Section 2 - Waiver of Investigation

(a) After notice of the charge(s), either the charged employee or company officer may request a meeting to discuss said charge(s). The employee's duly authorized representative shall be in attendance at this meeting if desired by the employee. On the basis of such meeting, the employee and company officer may reach agreement as to proper assignment of guilt (if any) and discipline (if any).

(b) Waiver of investigation form will contain but not be limited to the following: Any settlement agreement reached through paragraph (a) above shall list the charge(s), the finding of fault, and the discipline to be rendered and shall be signed by the company representative and by the employee, as parties to the agreement, and by the employee's duly authorized representative, as witness to the agreement if desired by the employee. Such agreement, signed by the parties, will be a waiver of a formal investigation. There will be no appeal.
(c) Such settlement agreement shall have no value as precedent in subsequent matters involving other parties. No record shall be taken of the proceedings of such meeting(s) and failure to reach an agreement shall not be considered or referred to in the further handling of the case.

Section 3 – Appeal

(a) Appeal from discipline must be made, in writing, by the employee or on his behalf by his union representative to the Director, Labor Relations or designate within thirty (30) days after receipt of written notice of discipline. This appeal, when the discipline imposed is suspension, shall act as a stay in imposing the suspension until after an appeal has been held and a decision rendered (except in the cases of a major offense or dismissal).

(b) At the appeal conference, an employee may attend or be represented by his duly accredited union representative.

(c) After the appeal conference, the employee and his union representative shall be advised not later than thirty (30) days after the conference in writing, of the decision. If the decision in cases of suspension is to the effect that suspension will be imposed, whether in whole or for a reduced period, the stay referred to in paragraph (a) shall be lifted and the suspension shall be imposed.

(d) Further appeal will be subject to the procedural provisions of paragraph (c) of Rule 24.

(e) The time limits of this Rule may be extended by written agreement between the Company and the employee or his union representative. In the event the time limits are not complied with, the discipline or right of appeal shall be barred as the case may be. When the U.S. Mail is used, the postmark will govern in determining compliance with the various time limits.

Section 4 - Exoneration

If a disciplined employee is exonerated on appeal, the discipline shall be stricken from his record. If an employee has lost time due to such discipline, he shall be paid the difference between the amount he would have earned had he not been disciplined and the amount he earned or received during the discipline period.

RULE 26 - RATES OF PAY

(a) The rates of pay of employees subject to the rates of pay rules of the collective agreement between the parties hereto shall be listed in a master wage schedule prepared by the carrier. A copy of this wage schedule shall be furnished to
the General Chairman for his verification. The wage schedule shall constitute a part of the rates of pay, rules and working conditions agreement between the parties, but may be physically bound with the general working conditions agreement or reproduced as a document under separate cover. This rule does not require that multiple positions of the same classification and carrying the same rate of pay need be individually listed, but the listing shall be in whatever detail is necessary to enable the ascertainment from the schedule of the rate of pay for each position of employees referred to herein. When rates of pay are generally revised and when revisions are made in individual rates of pay, the General Chairman shall be furnished with a statement of the adjustments to be made in the rates as shown in the master wage schedule. When the rules and working conditions agreement is generally revised or reprinted the master wage schedule shall be revised to show the then current rates of pay and reproduced and distributed in the same manner as the rules and working conditions agreement.

(b) The listing of rates of pay in the agreement does not constitute a guarantee of the continuance of any position or any certain number of positions or anything else other than as stated in paragraph (a) hereof.

(c) Any position which has been subject to this agreement in the past and which has been discontinued will again be subject to this agreement in the event it is re-established.

(d) The rates of pay for the occupational classifications (positions) and basic rates of pay for employees covered by this agreement are listed on Appendix M.

(e) Monthly rates effective the date of this agreement are based on 174.6 hours per month.

RULE 27 - DETERMINATION OF PHYSICAL FITNESS

(a) When an employee has been removed or withheld from his position due to his physical condition, the Company’s physician who removes the employee will cooperate in filling out all forms required concerning the disability for any and all insurance carriers and disability or sickness benefits.

(b) 1. If the employee disputes the removal, the employee or the organization may request a reconsideration of the dispute in writing to the Director Labor Relations within 30 days. This 30 days can be extended for an additional 30 days by written request from the employee or the General Chairman to the Director Human Resources. The matter will be resolved in the following manner:

2. The employee or his representative shall thereafter produce a written statement from the employee’s physician outlining the employee’s physical condition and stating that the employee is capable of performing the essential duties of the position
from which removed, with or without reasonable accommodation. The Company shall respond within a reasonable period of time.

3. If the employee still disputes the decision of the Company’s physician, the Company and the General Chairman shall each select a doctor to represent them, each notifying the other of the name and address of the doctor selected. These two doctors will confer and appoint a third doctor. Such board of doctors shall then fix a time and place to meet with and examine the employee. After completion of the examination, the board shall make a full report, sending a copy to the Manager of GT Medical Department and the employee. The Manager of the GT Medical Department will advise the organization of the board findings.

4. The decision of the board regarding the employee’s condition and ability to perform the essential duties of the position from which removed, with or without reasonable accommodation, shall be final. However, if the removal is upheld and the employee’s condition improves and the employee produces a letter from a doctor stating how the employee’s condition has changed and such change does not affect the ability of the employee to perform the essential duties of the position from which the employee had been removed, with or without reasonable accommodation, the employee may request reinstatement. If the Company’s physician does not reinstate the employee to active status as a result of the new information supplied, the employee and or the General Chairman may, once again, request reconsideration as outlined in this paragraph (b).

(c) The doctors selected for the board shall be experts in the condition which the employee is alleged to have. They shall be located at a convenient point so that it will only be necessary for the employee to travel a minimum distance and, if possible, not be away from home for a longer period than one (1) day. The Company and the Organization shall each defray the expenses of their respective doctor. At the time their final report is made, a bill for the fee and traveling expenses, if there are any, of the third appointee shall be made in duplicate, one copy to be sent to the Manager of the GT Medical Department and one copy to the General Chairman. The Company and the Organization will each pay one half of the fee and traveling expenses of the third appointee.

RULE 28 - INTRA-CRAFT WORK JURISDICTION

Employees will be allowed to perform incidental tasks which are directly related to the service being performed and which they are capable of performing, provided the tasks are within the jurisdiction of the BMWE and do not comprise a preponderant part of the total amount of time during an employee’s tour of duty excluding travel time. Compensation shall be at the applicable rate for the employee performing the service and shall not constitute a basis for any time claims by other employees. This provision is not intended to alter the establishment and manning of work forces.
accomplished in accordance with existing assignment, seniority, scope and classification rules.

RULE 29 - PAYMENT OF WAGES AND EXPENSES

(a) Employees will be paid off during regular working hours. Should the regular pay day fall on a holiday, they will be paid on the preceding work day.

(b) Where there is a shortage equivalent to one day's pay or more in the pay of an employee, a voucher will be issued promptly upon request to cover the shortage.

(c) Employees leaving the service of the Company will be furnished with a time voucher covering all time due, at the next scheduled pay day for the pay period involved.

(d) The Carrier will reimburse employees entitled to expenses within thirty (30) days from the date of application for reimbursement.

RULE 30 - JURY DUTY

When a regularly assigned employee is summoned for jury duty and is required to lose time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his position for each day lost less the amount allowed him for jury service for each such day, excepting allowance paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations.

(1) An employee must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.

(2) The number of days for which jury duty pay shall be paid is limited to a maximum of sixty (60) days in any calendar year.

(3) No jury duty pay will be allowed for any day as to which the employee is entitled to vacation, holiday pay or bereavement leave.

(4) When an employee is excused from railroad service account of jury duty the Company shall have the option of determining whether or not the employee's regular position shall be blanked, notwithstanding the provisions of any other rules.

(5) Except as provided in paragraph (6), an employee will not be required to work on his assignment on days on which jury duty:
(a) ends within four (4) hours of the start of his assignment; or

(b) is scheduled to begin during the hours of his assignment or within four (4) hours of the beginning or ending of his assignment.

(6) On any day that an employee is released from jury duty and four (4) or more hours of his work assignment remain, he will immediately inform his supervisor and report for work if advised to do so.

RULE 31 - BEREAVEMENT

Employees in active service shall be entitled to bereavement leave of three (3) work days, to be taken at the discretion of the employee, upon furnishing proof of death of the employee’s immediate family member. Bereavement leave will be taken within six months from the date of death of the employee’s immediate family member.

For purposes of this rule, immediate family consists of the employee’s spouse, child, parent, grandparent, grandchild, brother, sister, half-brother, half-sister, step-parent step-child and spouse’s parent. In such cases, a basic day’s pay at the rate of the last service rendered will be allowed for each of the three (3) days. Employees will make provision for taking leave with their supervisor in the usual manner.

Family relationships created through the legal adoption process shall qualify for bereavement leave. Any other family relationship not specifically mentioned shall be excluded.

Bereavement leave non-availability shall be considered neutral for determining the qualifying day for holiday pay purposes. The workday preceding or following the employee’s bereavement leave, as the case may be, shall be considered the qualifying day for holiday pay purposes.

RULE 32 - CHANGING DUTIES

Section 1.

When the duties of any position are changed or conditions develop so that an employee cannot satisfactorily perform the assigned work, he shall, if agreed to between the Officer designated by the company and the General Chairman, be permitted to exercise his seniority rights over junior employees. Employees affected may exercise their seniority rights in the same manner.
Section 2.

(a) If a new position is established for which a rate of pay has not been agreed upon, the carrier will in the first instance establish a rate which is commensurate with the duties, responsibilities, characteristics and other requirements of said position. If the General Chairman does not agree that the rate of pay so established is commensurate with the duties, responsibilities, characteristics, and other requirements of the position, he shall so notify the carrier and thereupon the duly authorized representative of the carrier shall meet with the General Chairman or his representative for the purpose of mutually agreeing upon a rate which will be satisfactory to both parties. In the event of failure to reach a mutual agreement on the subject, it will be submitted to arbitration in accordance with paragraph (c) of this Rule.

(b) If, as the result of change in work methods subsequent to the effective date of this agreement, the contention is made by the General Chairman that there has been an expansion of duties and responsibilities of supervisory employees covered by the rules of the collective agreement between the parties hereto resulting in a request for wage adjustment and a mutual agreement is not reached disposing of the issue thus raised, the matter will be submitted to arbitration in accordance with paragraph (c) of this Rule.

(c) The submissions to arbitration provided for in paragraphs (a) and (b) of this Rule shall be under and in accordance with the provisions of the Railway Labor Act; shall be between the individual carrier and the system committee of the organization representing employees of such carrier; and shall be governed by an arbitration agreement conforming to the requirements of the Railway Labor Act which shall contain the following provisions:

(1) shall state that the Board of Arbitration is to consist of three members;

(2) shall state specifically that the question to be submitted to the Board for decision shall be limited to the single question as to whether the rate established by the carrier should be continued or whether the rate suggested by the General Chairman should be adopted or whether an intermediate rate is justified; and that in its award the said Board shall confine itself strictly to decision as to the question so specifically submitted to it:

(3) shall fix a period of ten (10) days from the date of the appointment of the arbitrator necessary to complete the Board within which the said Board shall commence its hearings;

(4) shall fix a period of thirty (30) days from the beginning of the hearings within which the said Board shall make and file its award; provided, that the parties may agree at any time upon the extension of this period;

(5) shall provide that the award shall become effective on the date that it is
rendered and the rate awarded shall continue in force until changed or modified pursuant to the provisions of the Railway Labor Act.

RULE 33 - VACATION-CREDITS

(a) Vacation will be granted to employees provided they have rendered compensated service on not less than one hundred (100) days during the preceding calendar year.

(b) Employees working a four (4) day work week will have the actual time worked for each of the four (4) work days posted on the time cards and in addition will receive credit for one and one quarter (1 1/4) days qualifying credit, for each day worked, to be applied towards vacation, and holiday eligibility requirements.

(c) Consistent with service requirements, employees shall be permitted to take one week of their vacation allowance per year in increments of one day or more days. Forty eight (48) hours advance notice to the Foreman or Supervisor in charge will be required.

(National Agreement to apply-See also Appendix “N”)

RULE 34 - EMPLOYEE INFORMATION

The carrier will provide the General Chairman with a list of employees who are hired or terminated, their home addresses, and social security numbers, if available, otherwise the employees' identification numbers. This information will be limited to employees covered by the collective bargaining agreement of the respective General Chairman. The data will be supplied within 30 days after the month in which the employee is hired or terminated. When the railroad can not meet the thirty (30) day requirement, the matter will be worked out with the General Chairman.

RULE 35 - HEADQUARTERS

(a) Each designated headquarters as provided in these rules will be supplied with lockers, washing and toilet facilities, proper heating, electrical fixtures, table and benches and will be maintained in a clean and sanitary condition.

(b) Inspection. The above listed facilities and camp cars (if provided) will be inspected every year by the proper Company Officer and a union representative and a joint report will be made to the Officer designated by the company as to their findings, and any improper conditions will be corrected.
RULE 36 - MUTUAL AGREEMENT

Exceptions to any rule in this Agreement may be made only by agreement between the Director, Labor Relations and the General Chairman.

For the carrying out of this agreement, the Railroad signatory hereto shall deal only with duly authorized Committee of Brotherhood of Maintenance of Way Employees.

RULE 37 - NON-DISCRIMINATION

(a) The parties to this Agreement pledge to comply with Federal and State Laws dealing with non-discrimination toward any employee. This obligation to not discriminate in employment includes, but is not limited to, placement, transfer, demotion, rates of pay or other forms of compensation, selection for training, lay-off, and termination.

(b) Wherever words are used herein in the masculine gender, they shall be construed as though they were also used in the feminine gender in all cases where they would so apply.

RULE 38 - GRIEVANCE COMMITTEES

The Grievance Committee will consist of a maximum of two (2) members from each seniority district consisting of three (3) committees (two members from each Chicago, Toledo and Detroit) to meet with the officer designated by the company quarterly or as necessary without loss of pay to discuss current issues affecting the GTW membership. The General Chairman will advise the GTW in writing of the members of each committee. The committee’s term will run for a period of one (1) year. The location for such meetings will be decided between the Officer designated by the company and the committee. Not less than ten (10) days advance notice prior to the meetings each committee will give management a written agenda to be discussed and if local supervision is requested to participate, management shall arrange for the supervisor to attend if available.

RULE 39 - COMMERCIAL DRIVERS LICENSE

C.D.L. and FHWA testing, Licensing and Certification

(a) When the carrier requires C.D.L. certification, upon presentation of proof of expenditures, GTW shall reimburse employees for all fees necessary to obtain
C.D.L. License. Once the C.D.L. is obtained, subsequent additional endorsements required to maintain the license requirements will also be reimbursed.

(b) Employees shall be permitted the use of an appropriate GTW vehicle when available to take C.D.L. test provided that written request for the use of such vehicle is made to the Designated Officer of the Company no less than five (5) working days prior to the C.D.L. test.

(c) The CDL differential is $0.50 per hour worked for those positions entitled to such differential.

RULE 40 - SAFETY COMMITTEES / LABOR MANAGEMENT, ETC.

The participation of the BMWE in any Safety Program/Labor Management Committees is voluntary. Upon request, the General Chairman will provide the GTW Management the names of the members who will participate on such committees, and length of term.

RULE 41 - PRINTING THE AGREEMENT

Within ninety (90) days of written notice of the ratification of the agreement, the agreement will be reprinted by the GTW with any amendments and furnished to each employee. Employees will sign for their copy of the agreement.

RULE 42 - TRAINING

(a) When the Carrier requests employees to attend training for positions to which currently assigned, they may be assigned to classroom or on-the-job training at such times and places as necessary.

(b) Training under this Rule will be offered to employees in seniority order as they appear on the seniority division rosters. When employees of the applicable class are exhausted, then the employees in lower classes of the rosters involved will be offered the training in order of their seniority. If there are no employees remaining in the lower classes, the training will be offered to employees with the earliest established M of W seniority date.

(c) In the event an operational need prevents certain employees from attending the training in seniority order as scheduled, the affected employee(s) will be scheduled for training as soon as practicable thereafter, and will not experience a loss of earnings, benefits, credits, etc., as the result of being prevented an exercise
of his seniority rights due to lack of training. Written notice listing the names of the employees scheduled for the next class will be sent to the affected employee(s) with a copy sent to the BMWE duly accredited representative.

Note:

(1) When there are more incumbents at a location than the training slots, training will be assigned in order of seniority at the location.

(2) When training of all incumbents is scheduled, training will be assigned in order of seniority.

(3) Training under paragraph (a) of this Rule is only applicable to incumbent employees.

(d) Employees will be paid at the pro rata rate, not to exceed eight (8) hours per day, (unless assigned 4-10's) for classroom or on-the-job training, including necessary travel expenses. Employees will be given reasonable advance notice concerning training assignments and scheduling of training sessions. Furloughed employees given consideration for training under this Rule will be credited and paid as time worked.

(e) When transportation to the training location is not provided, employees may, when authorized, use their private automobiles and will be reimbursed for reasonable and actual expenses including mileage, meals and lodging. Travel time will be paid based on 2 minutes per mile.

(f) All reasonable efforts will be made to prevent situations from arising where an employee commences training without sufficient rest, or the training and travel exceeds eight (8) hours per day.

(g) During work weeks which include training assignments, employees will be compensated in accordance with Rule 11 for any hours trained or worked over forty (40) hours in that work week.

**Rule 43-SHOE ALLOWANCE**

Employees covered by this Agreement will be reimbursed up to $125 of the purchase price of one (1) pair of approved safety shoes in each calendar year, upon submission of the purchase receipt.

**RULE 44 – DIRECT DEPOSIT/BIWEEKLY PAY**

All employees will be paid by direct deposit. At the company's discretion, pay intervals will be either on a weekly or biweekly basis. If the Company elects to use
direct deposit, it will hold an employee harmless for any bank charges caused by a missing or delayed deposit.

**RULE 45 – HEALTH & WELFARE**

(a) All employees subject to this Agreement and their eligible dependents will be covered by the Railroad Employees' National Health and Welfare Plan as amended effective July 1, 2007 by the Brotherhood of Maintenance of Way Employes Division/IBT (BMWED) and will have continued coverage under the Railroad Employees' National Early Retirement Benefit Plan, the Railroad Employees' National Dental Plan, the Railroad Employees' National Vision Plan, and the Supplemental Sickness Benefit Plan covering Maintenance of Way employees, including all subsequent amendments, excluding cost sharing and The Off-Track Vehicle Accident Benefits in effect between the National Carriers' Conference Committee and the BMWED.

(b) Effective January 1, 2008 all employees will contribute $23.08 per week towards cost sharing in accordance with National Plan rules.

**RULE 46 – 401(k)**

(a) Employees covered by this Agreement will be eligible to participate in the Illinois Central Union 401(k) Plan. (See also APPENDIX F)

(b) Under the plan, for the first four percent (4%) of an employee’s salary contributed, the company will contribute $0.25 for each $1.00 contributed by the employee.

(c) The employee may contribute an amount above the 4% with no company participation, subject to the applicable IRS limits.

(d) Contributions to existing GTW, DTI or DTSL 401(k) plans will be transferred to the IC 401(k) plan as soon as legally permissible.

**RULE 47- PERSONAL LEAVE**

(a) A maximum of two (2) days of personal leave will be provided on the following basis:
1. Employees who have met the qualifying vacation requirements during eight (8) calendar years under vacation rules in effect on January 1, 1982, shall be entitled to one (1) day of personal leave in subsequent calendar years.

2. Employees who have met the qualifying vacation requirements during seventeen (17) calendar years under vacation rules in effect on January 1, 1982, shall be entitled to two (2) days of personal leave in subsequent calendar years.

(b) Personal leave days provided in Section (a) may be taken upon forty-eight (48) hours' advance notice from the employee to the proper carrier officer provided, however, such days may be taken only when consistent with the requirements of the carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.

(c) Personal leave days will be paid for at the regular rate of the employee's position or the protected rate, whichever is higher.

(d) The personal leave days provided in Section (a) shall be forfeited if not taken during each calendar year. The carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The carrier will have the right to distribute work on a position vacated among other employees covered by the agreement with the organization signatory hereto.

RULE 48– EFFECTIVE DATE AND MORATORIUM:

(a) The purpose of this Agreement is to settle all Section 6 notices dated prior to June 16, 2008, and to fix the general level of compensation and rules covering working conditions through December 31, 2009 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(b) Neither party to this agreement shall serve, prior to October 1, 2009 (not to become effective prior to January 1, 2010), any notice or proposal for the purpose of changing, adding to, or deleting the provisions of any agreement in effect between the parties.
(c) Unless otherwise specified the provisions of this agreement become effective January 1, 2005.

Signed this 16th day of June 2008.

FOR THE GRAND TRUNK WESTERN
DETROIT TOLEDO & Ironton
DETROIT & TOLEDO SHORELINE

_____/S/________________________                _______/S/_____________________
C. K. Cortez       Bradley A. Winter
Senior Manager – Labor Relations   General Chairman – GTW

_____/S/________________________                  _____/S/_____________________
R.K. MacDougall       Paul R. Beard
Senior Director - Labor Relations   General Chairman DTI/DTSL

(Signatures not reproduced)
Dear Sirs:

This will confirm our discussions and the understanding(s) reached relative to codification of the “GTW-BMWE Agreement”, as necessary, to incorporate the terms and conditions contained in the Agreement signed June 16, 2008.

The parties to the agreement between the Brotherhood of Maintenance of Way Employees and the Grand Trunk Western Railroad Company recognize that inadvertent errors or omissions could occur when codifying and reproducing documents of this magnitude. In that regard, the parties agree that best efforts will be made by both parties to ensure the accuracy of the language in the codified document and the mutual intent to be conveyed thereby. Errors, which may be noted by one party, shall be promptly brought to the attention of the other, it being our mutual intent and purpose to promptly correct such errors.

If you agree this accurately reflects our understanding please indicate your concurrence in the space provided below.

Sincerely,

I CONCUR: I CONCUR:

/s/ /s/ /s/
D.L. McPherson Paul A. Beard Brad Winter
Manager, Labor Relations General Chairman General Chairman

(Signatures not reproduced)
Dear Sirs:

This confirms our understanding reached this day regarding the forced assignment of Welders under Rule 4, Section 3(c). The Carrier acknowledges that there are occasions when a shortage of welders may occur. Accordingly, the Carrier will continue to attempt to recruit qualified Welders into its service.

Additionally when an employee makes successful application for a Welder position requiring training and qualification that employee will not be permitted to make application to another job for a period of 180 calendar days. The purpose of this understanding is to provide stability of employment for those employees holding Welder positions. It is further understood that application of this rule may affect such employees so assigned to acquire seniority in additional classifications. Therefore, we agree that at the expiration of the 180 calendar day period, the employee so assigned will be permitted to displace a junior employee promoted during such period or claim a new seniority date as provided in Rule 5(a).

If you concur this accurately reflects our understanding, please indicate your concurrence in the space provided below.

Sincerely,

[Signatures]

D.L. McPherson           Paul A. Beard           Brad Winter
Manager, Labor Relations General Chairman    General Chairman

(Signatures not reproduced)
Dear Sirs:

This confirms our understanding reached this day regarding the forced assignment of employees with seniority on the “entire line” under Rule 4, Section 3(c), specifically, welders, welder helpers, and machine operators.

We mutually understood that when such employees are force assigned to positions, they would be allowed the per diem identified in Rule 16 (i), provided; (1) the position to which force assigned is further from their residence than the position held by them at the time the force assignment occurred, and (2) that the position to which force assigned is located more than fifty (50) miles from the employee’s residence.

If you concur this accurately reflects our understanding, please indicate your concurrence in the space provided below.

Sincerely,

I CONCUR:  
I CONCUR:

/s/  /s/  /s/  /s/
D.L. McPherson    Paul A. Beard    Brad Winter
Manager, Labor Relations    General Chairman    General Chairman

(Signatures not reproduced)
APPENDICES DISCLAIMER

The appendices identified as “E”, “G”, “H”, “I”, “J”, and “O” are agreements, which are subject to amendment or cancellation in accordance with the express terms and provisions as specifically set forth therein. Those other appendices included herein, which are not specifically listed above, represent excerpts from existing National agreements or Awards of arbitration, which are included solely for informational purposes. Provisions contained in the original agreements governing amendments to or cancellation of those agreement(s) or arbitration awards from which the excerpts contained herein derive shall in all cases govern the parties’ rights and obligations with respect to effectuating amendments or cancellations.

In the case of any dispute arising concerning a conflict between the language contained in any appendix hereto and the language of the original agreement from which such language was derived, such dispute shall be resolved based on the language of the original agreement, as subsequently amended. Furthermore, neither party to this agreement shall hereafter contend or assert that the decision to include or not include such appendices, or any portions thereof, in this agreement is in any way subject to or restricted by the provisions of Section 6 of the Railway Labor Act, as amended.

(Remainder of page left blank intentionally)
APPENDICES

APPENDIX A

UNION SHOP AGREEMENT

Section 1.

In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the carrier now or hereafter subject to the Rules and Working Conditions Agreements between the parties hereto, except as hereinafter provided, shall, as a condition of their continued employment subject to such agreements, become members of the organization party to this agreement representing their craft or class within sixty calendar days of the date they first perform compensated service as such employees after the effective date of this agreement, and thereafter shall maintain membership in such organization; except that such membership shall not be required of any individual until the employee has performed compensated service on thirty days within a period of twelve consecutive calendar months. Nothing in this agreement shall alter, enlarge or otherwise change the coverage of the present or future rules and working conditions agreements.

Section 2.

This agreement shall not apply to employees while occupying positions, which are excepted from the bulletining and displacement rules of the individual agreements, but this provision shall not include employees who are subordinate to and report to other employees who are covered by this agreement. However, such excepted employees are free to be members of the organization at their option.

Section 3.

(a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty days or more, are (1) furloughed on account of force reduction, or (2) on leave of absence, or (3) absent on account of sickness or disability, will not be required to maintain membership as provided in Section 1 of this agreement so long as they remain in such other employment or furloughed or absent as herein provided, but they may do so at their option. Should such employees return to any service covered by the said Rules and Working Conditions Agreements and continue therein thirty calendar days or more, irrespective of the number of days actually worked during that period, they shall, as a condition of their continued employment subject to such agreements, be required to become and remain members of the organization representing their class or craft within thirty-five
calendar days from date of their return to service.

(b) The seniority status and rights of employees furloughed to serve in the Armed Forces or granted leaves of absence to engage in studies under an educational aid program sponsored by the federal government or a state government for the benefit of ex-service men shall not be terminated by reason of any of the provisions of this agreement but such employees shall, upon resumption of employment, be considered as new employees for the purposes of applying this agreement.

(c) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who, for reasons other than those specified in subsections (a) and (b) of this section, are not in service covered by such agreements, or leave such service, will not be required to maintain membership as provided in Section 1 of this agreement so long as they are not in service covered by such agreements, but they may do so at their option. Should such employees return to any service covered by the said Rules and Working Conditions Agreements they shall, as a condition of their continued employment, be required, from the date of return to such service, to become and remain members in the organization representing their class or craft.

(d) Employees who retain seniority under the Rules and Working Conditions Agreements of their class or craft, who are members of an organization signatory hereto representing that class or craft and who in accordance with the Rules and Working Conditions Agreement of that class or craft temporarily perform work in another class of service shall not be required to be members of another organization party hereto whose agreement covers the other class of service until the date the employees hold regularly assigned positions within the scope of the agreement covering such other class of service.

Section 4.

Nothing in this agreement shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member, or if the membership of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition or acquiring or retaining membership. For purposes of this agreement, dues, fees, and assessments, shall be deemed to be "uniformly required" if they are required of all employees in the same status at the same time in the same organizational unit.
Section 5.

Each employee covered by the provisions of this agreement shall be considered by a carrier to have met the requirements of the agreement unless and until the carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this agreement and who the organizations therefore claims is not Agreement. The form of notice to be used shall be agreed upon by the carrier and the organizations involved and the form shall make provision for specifying the reasons for the allegation of non-compliance. Upon receipt of such notice, the carrier will, within ten calendar days of such receipt, so notify the employee concerned in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified who disputes the fact that the employee has failed to comply with the terms of this agreement, shall within a period of ten calendar days from the date of receipt of such notice, request the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him/her a hearing. Upon receipt of such request the carrier shall set a date for hearing, which shall be held within ten calendar days of the date of receipt of request therefore. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

In the event the employee concerned does not request a hearing as provided herein, the carrier shall proceed to terminate the employee’s seniority and employment under the Rules and Working Conditions Agreement not later than thirty calendar days from receipt of the above described notice from the organization, unless the carrier and the organization agree otherwise in writing.

(b) The carrier shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this agreement and shall render a decision within twenty calendar days from the date that the hearing is closed, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this agreement, the employee’s seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision except as hereinafter provided or unless the carrier and the organization agree otherwise in writing.

APPENDIX A
If the decision is not satisfactory to the employee or to the organization it may be appealed in writing, by Registered Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this agreement. Such appeals must be received by such officer within ten calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty calendar days of the date the notice of appeal is received, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this agreement, the employee's seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below, or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved requests the selection of neutral person to decide the dispute as provided in Section 5 (c) below. Any request for selection of a neutral person as provided in Section 5 (c) below shall operate to stay action on the termination of seniority and employment until not more than ten calendar days from the date decision is rendered by the neutral person.

(c) If within ten calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this agreement or the designated representative, the Chief Executive of the organization or the designated representative, and the employee involved or the designated representative. If they are unable to agree upon the selection of a neutral person any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral. The carrier, the organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty calendar days from the date of receipt of the request for the employee's appointment and shall be final and binding upon the parties. The carrier, the employee, and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

APPENDIX A
(d) The time periods specified in this section may be extended in individual cases by written agreement between the carrier and the organization.

(e) Provisions of investigation and discipline rules contained in the Rules and Working Conditions Agreement between the carrier and the organization will not apply to cases arising under this agreement.

(f) The General Chairman of the organization shall notify the carrier in writing of the title(s) and address(es) of its representatives who are authorized to serve and receive the notices described in this agreement. The carrier shall notify the General Chairman of the organization in writing of the title(s) and address(es) of its representatives who are authorized to receive and serve the notices described in this agreement.

(g) In computing the time periods specified in this agreement, the date on which a notice is received or decision rendered shall not be counted.

Section 6.

Other provisions of this agreement to the contrary notwithstanding, the carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The carrier may not, however, retain such employee in service under the provisions of this section for a period in excess of sixty calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety calendar days from date of receipt of notice from the organization in cases where the employee does not request a hearing. The employee whose employment is extended under the provisions of this section shall not, during such extension, retain or acquire any seniority rights. The position will be advertised as vacant under the bulletining rules of the respective agreements but the employee may remain on the position he held at the time of the last decision, or at the date of receipt of notice where no hearing is requested pending the assignment of the successful applicant, unless displaced or unless the position is abolished. The above periods may be extended by agreement between the carrier and the organization involved.

Section 7.

An employee whose seniority and employment under the Rules and Working Conditions Agreement is terminated pursuant to the provisions of this agreement or whose employment is extended under Section 6 shall have no time or money claims by reason thereof.

If the final determination under Section 5 of this agreement is that an employee's seniority and employment is a craft or class shall be terminated, no liability against
the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the 60 or 90 day periods specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such periods, no provision of any other agreement between the parties heretofore shall be used as the basis for a grievance or time or money claim by or on behalf of any employee against the carrier predicated upon any action taken by the carrier in applying or complying with this agreement or upon an alleged violation, misapplication or non-compliance with any provision of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated, the employee's continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8.

In the event that seniority and employment under the Rules and Working Conditions Agreement is terminated by the carrier under the provisions of this agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the organization shall indemnify and save harmless the carrier against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment: Provided, however, that this section shall not apply to any case in which the carrier acts in collusion with any employee: Provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this agreement.

Section 9.

An employee whose employment is terminated as a result of non-compliance with the provisions of this agreement shall be regarded as having terminated the employee’s employment relationship for vacation purposes.

Section 10.

The carrier shall periodically deduct from the wages of employees subject to this agreement periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such organizations, and shall pay the amount so deducted to such officer of the organization as the organization shall designate: Provided, however, that the requirements of this subsection (a) shall not be effective with respect to any

APPENDIX A
individual employee until the employee has furnished the carrier with a written
assignment to the organization of such membership dues, initiation fees and
assessments, which assignment shall be revocable in writing after the expiration of
one of year or upon the termination of this agreement whichever occurs sooner.
The provisions of subsection (a) of this section shall not become effective unless
and until the carrier and the organization shall, as a result of further negotiations
pursuant to the recommendations of Emergency Board No. 98, agree upon the
terms and conditions under which such provisions shall be applied; such
agreement to include, but not be restricted to, the means of making said
deductions, the amounts to be deducted, the form, procurement and filing of
authorization certificates, the frequency of deductions, the priority of said
deductions with other deductions now or hereafter authorized, the payment and
distributions of amounts withheld and any other matters pertinent thereto.

Section 11.

(a) The carriers will provide each General Chairman with a list of employees
who are hired or terminated, their home addresses, and Social Security numbers if
available, otherwise the employees' identification numbers. This information will be
limited to the employees covered by the collective bargaining agreement of the
respective General Chairmen. The data will be supplied within 30 days after the
month in which the employee is hired or terminated. Where railroads can not meet
the 30-day requirement, the matter will be worked out with the General Chairman.

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APPENDIX B

DUES DEDUCTION AGREEMENT

AGREEMENT

Between the

GRAND TRUNK WESTERN RAILROAD COMPANY

And its employees represented by the

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

IT IS AGREED by and between the Grand Trunk Western Railroad Company (hereinafter called "Carrier") and its employees represented by the Brotherhood of Maintenance of Way Employes (hereinafter called "Brotherhood") that the following shall govern effective with deductions made from wages earned in the third payroll period of each month on the Grand Trunk Western Railroad Company.

Section 1.

(a) Subject to the terms and conditions of this agreement, Carrier shall deduct without cost to the organization or affected employees sums for periodic dues, initiation fees and assessments (not including fines and penalties), which are uniformly required as a condition of acquiring or retaining membership in the Brotherhood and which are payable to the Brotherhood by members of the Brotherhood from wages due and payable to said members, from wages earned by them as Maintenance of Way Employes of the Carrier upon the written and unrevoked authorization of a member in the form agreed upon by the parties hereto, copy of which is attached and made a part hereof, designated as Form "A". The signed authorization may, in accordance with its terms, be revoked in writing by the undersigned at any time after the expiration of one (1) year or upon the termination of the afore-said Check-Off Agreement or upon the undersigned changing membership to another qualified labor organization or upon the termination of the rules and working conditions agreement between the Company and the Brotherhood, whichever occurs sooner. Revocation of the authorization shall be in the form agreed upon by the parties hereto, copy of which is attached and made a part hereof, designated as Form "B".

(b) The Authorization Form "A" and the Revocation of Authorization

APPENDIX B
Form "B" shall be reproduced and furnished as necessary by the Brotherhood without cost to the Carrier. The Brotherhood shall assume full responsibility for the procurement and execution of said forms by employees and for the delivery of said forms to the Carrier.

Section 2.

The General Chairman of the Brotherhood will furnish the Carrier immediately with an initial list, for each affected local lodge which will contain, in addition to the name, the Social Security Number, Lodge Code number and the amount to be deducted from the wages of each employee. The list will conform to Form "C" attached hereto. Thereafter, a list containing any additions or deletions of names, or changes in amount, shall be furnished to the Carrier at least fourteen (14) days in advance of each payroll deduction period.

Section 3.

Deductions as provided herein will be made monthly from wages earned commencing December, 1979 and every month thereafter in the designated payroll period of each month.

Section 4.

The following will have priority over deductions in favor of the Brotherhood as covered by this agreement:

(a) Federal, State and Municipal taxes and other deductions required by law, including garnishment and attachments.

(b) Premiums on life insurance, hospital-surgical insurance, group accident or health insurance or group annuities.

(c) Amount due the Carrier for supplies or material furnished and monies paid out on behalf of the employees.

(d) In the event the employee is no longer subject to having deductions made as provided herein, and the Carrier make a deduction as a result of the employe or the Brotherhood not properly notifying the Carrier to revoke the Wage Assignment Authorization, the Brotherhood, will be required to refund the amount deducted directly to the employee.

No deduction will be made from the wages of any employee who does not have due him for the pay period specified, an amount equal to the sum to be deducted in accordance with this agreement.
Section 5.

The Carrier shall remit to the officer designated by the Brotherhood the amounts deducted from the wages of members who have authorized such deductions once each month but not later than the last day of the month following the month in which deductions are made. The remittance will be accompanied by deduction lists. The lists will be in duplicate and itemized as follows:

<table>
<thead>
<tr>
<th>Lodge No.</th>
<th>S.S.A. No.</th>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
</table>

Section 6.

Any questions arising as to the correctness of the amount deducted shall be handled between the employee involved and the Brotherhood, and any complaints in connection therewith shall be handled by the Brotherhood on behalf of the employee concerned.

Section 7.

This agreement shall not be used in any manner, either directly or indirectly, as a basis for a grievance or time claim by, or in behalf of, an employee predicated upon any alleged violation or misapplication of, or non-compliance with, any part of this agreement.

Section 8.

Except for remitting to the Brotherhood the monies deducted from the wages of employees, the Brotherhood shall indemnify, defend and save harmless the Carrier from any and all claims, demands, liability, losses or damage resulting from the entering into and the complying with the provisions of this agreement.

Section 9.

This agreement shall become effective on the first day of December, 1979, and shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Detroit, Michigan this 1st day of November, 1979

(SIGNATURES NOT REPRODUCED)
APPENDIX C
UNION DUES DEDUCTION AGREEMENT
(Addendum to Dues Deduction Agreement between GTW and BMWE)

VOLUNTARY POLITICAL CONTRIBUTIONS

In accordance with the provisions of the Voluntary Payroll Deduction of Political Contributions Agreement signed August 31, 1979 between Carriers represented by the National Railway Labor Conference and the employees of said Carriers represented by the Brotherhood of Maintenance of Way Employees, the parties hereby amend the Dues Deduction Agreement of November 1, 1979, as amended, to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and basis:

1. Subject the terms and conditions hereinafter set forth, the Carrier will deduct from the wages of employees voluntary political contributions upon their written authorization in the form (individual authorization form) agreed upon by the parties hereto, copy of which is attached, designated "Attachment A" and made a part thereof.

Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following the month in which the authorization is received. Such authorization will remain in effect thereafter until canceled by the employee upon written notice to the Brotherhood and the Carrier by Registered or Certified Mail on or before the last day of the month in which such deductions are to be taken. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the Dues Deduction Agreement.

2. The General Chairman or the designated representative shall furnish the Carrier, with copy of appropriate units of the Brotherhood, an initial statement by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amounts will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement showing additions and/or deletions furnished in the same manner as the initial statement required hereinabove.

3. Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employees' paycheck.

APPENDIX C
No deduction shall be made from wages at the same time that membership dues are deducted from the employees' paycheck. No deduction shall be made in any month that the amount of the deduction is not fully covered by an equal amount due the employee in net compensation. Only one monthly contribution shall be deducted in any given month. Deductions will only be made in whole dollar increments.

4. Concurrent with making remittance to the Brotherhood of monthly membership dues, the Carrier will make separate remittance of the voluntary political contributions to the Treasurer, Maintenance of Way Political League, together with a list prepared in accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues with a copy to the General Chairman.

5. The requirements of this Article shall not be effected with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

(From November 1, 1979 Agreement, as amended)

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Please Print In Ink:

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Initial</th>
</tr>
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<tbody>
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<td></td>
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<thead>
<tr>
<th>Number &amp; Street Name</th>
<th>Apartment #</th>
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<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
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</tbody>
</table>

Social Security Number: _______________________________

Employee Number: _______________________________

Date of Birth: _______________________________

Date of Hire: _______________________________

Cell Phone Number

<table>
<thead>
<tr>
<th>Home Phone Number</th>
</tr>
</thead>
</table>

I hereby assign to the Brotherhood of Maintenance of Way Employee that part of my wages necessary to pay my periodic union dues, initiation fees and assessments (Not including fines and penalties) as provided under the Check-Off Agreement entered into by and between the Organization and the Railroad Company effective October 1, 1973 and I hereby authorize the Railroad Company to deduct from my wages all such sums and pay them over to such designated representative of the Organization in accordance with the Check-Off Agreement. This authorization may be revoked in writing by the undersigned at any time after the expiration of one (1) year or upon the termination of the aforesaid Check-Off Agreement or upon the undersigned changing membership to another qualified Labor Organization or upon the termination of the rules and working condition agreement between the Company and the Brotherhood, whichever occurs sooner.

<table>
<thead>
<tr>
<th>Date</th>
<th>Signature</th>
<th>Lodge Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Name___________________________________      Social Security No.___________
(Last)                     (First)            Middle Initial)

Lodge No.___________

Home Address__________________________________________________________
________________________(Street and Number)          (City/State)          (Zip code)

Department ________________ Occupation

Effective ________________________________ , I hereby revoke the Wage Assignment Authorization now in effect assigning to the Brother-hood of Maintenance of Way Employes that part of my wages necessary to pay my periodic dues, assessments and initiation fees, now being withheld pursuant to the Check-Off Agreement between the Brotherhood and the Grand Trunk Western Railroad Company, and I hereby cancel the Authorization now in effect authorizing the Railroad Company to deduct such periodic union dues, initiation fees and assessments from my wages.
ARTICLE XI – SECTION 10901 TRANSACTIONS

Section 1

The railroads should provide at least a 60-day notice of intent to sell or lease a line of railroad to a purchaser under U.S.C. 10901. During the 60-day period, the parties shall meet upon the request of the organization to discuss the planned transfer. The transaction agreement between the carrier and the purchaser should obligate the purchaser to give priority hiring consideration to employees of the selling carrier who work on the line. Further, the agreement between the carrier and the purchaser should obligate the purchaser to assume a neutral stance in any union organizing effort undertaken by the organization. Should any recommendation in this paragraph be deemed contrary to the Railway Labor Act, the remaining recommendations shall continue in full force and effect.

Section 2

The selling carrier shall provide affected employees priority employment rights for other positions on the seller, both within craft and in other crafts where qualified. For access to positions within craft, the parties shall, at the request of the organization, develop a system seniority roster for use in such transactions in the same manner as that provided in the UTU and BLE national settlements. In addition, employees securing positions on the selling carrier which require a change in residence shall be eligible for up to $5,000 in relocation allowance, again in the same manner as provided in the UTU and BLE settlements.

Section 3

Employees who secure a position with the buyer should be provided with an opportunity to return to the seller during the first 12-month period. Employees displaced by the sale shall have recall rights on the seller’s property, as a minimum, for a period equal to their company seniority.

(From Mediation Agreement dated September 26, 1996)
APPENDIX E

MILITARY PAY

1. Regularly assigned employees who are members of the National Guard of any State or who are Reservists of any branch of the Armed Forces when called for annual active duty training ordered or authorized by the Military or Naval authority shall be paid a maximum of fifteen (15) days’ pay for such training period in any one calendar year, as follows:

The Company will pay the difference between the amounts earned in military service for the period involved and the straight time rate of the employee’s regular position. The difference for five days will be the most that will be paid by the Company for each week (7-day period).

Example: John Doe is called for summer camp training by the National Guard for a two week period, June 1, 1981 through June 14, 1981 and is paid earnings of $350.00 by the National Guard for this 14-day period.

John Doe would have received $718.40 ($8.98 hr x 80 hrs), the straight time earnings of his regular position, had he remained at work during this 14-day period. Carrier will pay John Doe a difference in earnings of $368.40.

2. The Company will not make up the difference between military pay and company pay for temporary employees, co-op students, students working as summer or part-time employees and/or employees who have not completed their probationary period while these employees are on military training leave.

3. It will be optional with the company to fill, partially fill or blank the position of an employee who is absent account of military service and is receiving pay under this rule.
APPENDIX F

401(k) SUMMARY PLAN DESCRIPTION MAY BE OBTAINED UPON REQUEST, IN WRITING, TO THE BENEFITS DEPARTMENT AT THE FOLLOWING ADDRESS:

GTW
BENEFITS DEPARTMENT
17641 S. ASHLAND AVE
HOMEWOOD, IL 60430

(Remainder of page left blank intentionally)
APPENDIX G

MEMORANDUM OF AGREEMENT
Between
GRAND TRUNK WESTERN RAILROAD INC.
And its Employees Represented By
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

WHEREAS, the Carrier plans to rent or purchase two Roadmaster 2000 Tampers for utilization on its system and for off property use on foreign lines commencing in 1994.

WHEREAS, the new tampers require special training and qualifications on two operator technician and two repairman technician positions because of the high degree of complicated operating, maintenance and repair technology.

WHEREAS, it is the desire of the Carrier and Brotherhood to operate and maintain the new Roadmaster 2000 tampers under terms of the existing labor agreements.

WHEREAS, the parties desire to pattern this agreement after the existing GTW Continuous Action Tamper Agreement dated February 23, 1990 for filling the two operator and two repairman positions.

NOW, THEREFORE, IT IS AGREED:

1. The following positions will be advertised by special bulletin at the hourly rate shown to employees holding seniority in the below listed group occupational classifications.

<table>
<thead>
<tr>
<th>Position</th>
<th>Hourly Rate</th>
<th>Group</th>
<th>Classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two Tamper Operator Technicians I</td>
<td>$15.42</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
<tr>
<td>Two Tamper Repair Technicians II</td>
<td>14.89</td>
<td>A</td>
<td></td>
</tr>
</tbody>
</table>

(a) Incumbents of the positions will, in addition to their regular compensation, be paid per diem and the weekend travel allowance as provided in Paragraphs 8 and 9 of the Memorandum of Agreement dated February 14, 1975 when they man the tampers on Grand Trunk (proper). Incumbents of the positions will, in addition to their regular compensation, be paid necessary reasonable travel, meal and lodging expenses when they man the tampers off Grand Trunk (proper) on the former DT&I-D&TSL Railroads" and when they are utilized off the property on foreign line carriers.

"Note - The two Roadmaster 2000 tampers will not be used on the former DT&I-D&TSL Railroads without concurrence from the General Chairman on those properties.
(b) The above positions will be awarded to the bidder with the oldest seniority date in the occupational classifications shown above who are qualified with management to be the judge. Incumbents will not be subject to displacement except as provided in Paragraph 8 of this agreement.

2. Employees initially awarded the positions advertised under Paragraph 1 above, which will be effective on or about March 1, 1994, will receive, and must successfully complete, special training in the operation and repair of the tampers for a period not to exceed four weeks. Subsequent awardees will also be given required training on or off company property. Uniform tests will be administered with uniform standards for all employees to determine qualifications prior to and upon completion of training. All necessary reasonable travel, meal and lodging expenses incidental to the training will be paid by the Carrier.

3. Employees awarded the Operator Technician I and Repairman Technician II positions on each tamper must remain on the positions through December 31, 1994 except under extenuating circumstances as agreed to by the General Chairman and the Chief Engineer. Such positions will not be abolished unless the tamper to which assigned is returned to the manufacturer, destroyed, sold or under the emergency conditions described in Paragraph (d), Rule 5 of the working agreement. It is understood that the repair and maintenance of the machines will be subject to terms of the scope rule.

4. Unless displaced under paragraph 8 of this agreement, between November 1 and November 15, each succeeding year incumbents of Operator Technician I and Repairman Technician II positions on each tamper may elect to remain on their position during the following year. This election must be made in writing to the Chief Engineer. If such election is not made, the vacant position(s) shall be advertised and awarded effective the day after New Years Day. Prior incumbent(s) may exercise seniority under Rule 5 as of such day.

5. Position vacancies shall be advertised and awarded in accordance with the provisions of this agreement and Rule 4.

6. Incumbents of the Tamper Operator Technician No. I and Tamper Repairman Technician positions will participate in the operation, repair and maintenance of the Roadmaster 2000 tampers during the work season and in the repair and maintenance of the tampers in the off season.

7. Employees awarded the Operator Technician positions I and the Repairman Technician positions will be required to observe their vacation between November 15 and March 15 except that such restriction shall not apply for one week of vacation to those employees who are entitled to two or more weeks vacation.
8. A senior employee whose job is abolished and having an exercise of seniority prior to the close of a tamper production season may displace onto a Roadmaster 2000 operator or repairman position effective with the end of the season of each tamper (end of the season of one tamper may not be the same as the other). In the interim, such senior employee must displace onto the highest lower rated position in the classification for which qualified and he will be compensated at the rate of the position held when his job was abolished until he can first return to his former or equal position or when the Roadmaster 2000 operator or repairman position becomes available at the end of the tamper(s) production season, e.g., a class 1 burro crane machine operator will receive that rate if he displaces a class 2 bulldozer machine operator and will receive it until he occupies a Roadmaster 2000 operator or repairman position at the end of the season.

NOTE: Carrier shall not be required to compensate the higher rate to more than one employee per position (two per tamper) under the provisions of this paragraph. Once an operator or repairman has been displaced, and a displaced employee is working extra pending completion of the production season, subsequent displacements will be against him or her.

Displacement by a senior employee onto one of the operator or repairman positions will require such employee to become qualified for and fill one of the positions effective with the ensuing production season. Failure to qualify and fill one of the positions effective with the start of the ensuing season may preclude any right to do so in future seasons with management to make the determination.

10. It is understood that no separate seniority roster or seniority class shall be created for the technician positions.

11. The parties recognize that it is to their mutual interest to secure off-property foreign line work and are agreeable to work together toward that end when opportunities permit.

12. This Agreement is made without precedent or prejudice to either position concerning the rules, agreements or practices.

13. This agreement entered into this 1st day of March 1994 shall remain in effect until December 31, 1994 unless extended by mutual agreement after this agreement can be cancelled by ninety (90) days advance written notice by either party to the other.

Signed J.P. Cassese
General Chairman

Signed R.J. O'Brien
Labor Relations

Approved: (SIGNATURES NOT REPRODUCED)

K.R. Mason Vice President

APPENDIX G
APPENDIX H

CONTINUOUS ACTION TAMPER AGREEMENT

MEMORANDUM OF AGREEMENT BETWEEN
GRAND TRUNK WESTERN RAILROAD COMPANY
AND ITS EMPLOYEES REPRESENTED BY THE
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEE

WHEREAS, the Carrier plans to acquire the following new machines for system-wide utilization on the Grand Trunk Western Railroad and for off-property use on foreign line carriers if such opportunities should become available:

Continuous Action Tamper
Ballast Regulator-PBR 550
Stabilizer
Double Broom

WHEREAS, it is the intent of the Carrier to commence utilization of the new machines during the 1990 work season.

WHEREAS, the new machines require special training and qualifications because they involve a higher degree of complicated operating, maintenance and repair technology.

WHEREAS, it is the desire of the Carrier and Brotherhood to operate and maintain the machines under terms of the existing labor agreements.

NOW, THEREFORE IT IS AGREED:

1. The following positions will be advertised by special bulletin at the hourly rate shown to employees holding seniority in the group occupational classification listed for work throughout the entire line:

<table>
<thead>
<tr>
<th>Position</th>
<th>Hourly Rate</th>
<th>Group</th>
<th>Classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tamper Operator Technician I</td>
<td>$14.40</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
<tr>
<td>Tamper Operator Technician II</td>
<td>$14.40</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
<tr>
<td>Tamper Repairman Technician</td>
<td>$13.90</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Stabilizer Technician</td>
<td>$14.15</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
<tr>
<td>Ballast Regulator Technician I</td>
<td>$14.15</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
<tr>
<td>Ballast Regulator Technician II</td>
<td>$14.15</td>
<td>D</td>
<td>1, 2 and 3</td>
</tr>
</tbody>
</table>
(a) Incumbents of the positions will, in addition to their regular compensation, be paid per diem and the weekend travel allowance as provided in Paragraphs 8 and 9 of the Memorandum of Agreement dated February 14, 1975 when they man the machines on Grand Trunk (proper). Incumbents of the positions will, in addition, to their regular compensation, be paid necessary reasonable travel, meal and lodging expenses when they man the machines off Grand Trunk (proper) on the former DT&I-DTSL Railroads and when they are utilized off the property on foreign line carriers.

(b) Incumbents of the positions will, in addition to their regular compensation, be paid per diem and the weekend travel allowance as provided in Paragraphs 8 and 9 of the Memorandum of Agreement dated February 14, 1975 when they man the machines on Grand Trunk (proper). Incumbents of the positions will, in addition, to their regular compensation, be paid necessary reasonable travel, meal and lodging expenses when they man the machines off Grand Trunk (proper) on the former DT&I-DTSL Railroads and when they are utilized off the property on foreign line carriers.

(c) The above positions will be awarded to the bidder with the oldest seniority date in the occupational classifications shown above who are qualified with respect to the production tamper (auto raising and lining), stabilizer and ballast regulator with management to be the judge. Incumbents will not be subject to displacement.

2. Employees initially awarded the positions advertised under Paragraph 1 above, which will be effective on or about March 1, 1990, will receive, and must successfully complete, special training in the operation, maintenance and repair of the machines for a period not to exceed four weeks. Subsequent awardees will also be given required training on or off company property. Only those awarded positions under 1 (b) of this agreement will be provided training for purposes of establishing qualifications on the machines. Uniform tests will be administered with uniform standards for all employees to determine qualifications prior to and upon completion of training. All necessary reasonable travel, meal and lodging expenses incident to the training will be paid by the Carrier.

3. Employees awarded the No. 1 position of must remain on the positions until December 31, 1990, except under extenuating circumstances as agreed to by the General Chairman and the Chief Engineer. Employees awarded the No. II position of Tamper Operator Technician, Stabilizer Technician and Ballast Regulator Technician must remain on the positions during the production season. Such positions will not be abolished during the production season unless the machine to which assigned is returned to the manufacturer, destroyed, sold or under the emergency conditions described in Paragraph (d), Rule 5 of the working agreement. It is understood that the repair and maintenance of the machines will

APPENDIX H
be subject to terms of the scope rule.

4. Between November 1 and November 15 each succeeding year, incumbents of the No. I Tamper Operator Technician and Tamper Repairman Technician positions may elect to remain on their position during the following year or, for the positions of No. II Tamper Operator Technician, Stabilizer Technician and Ballast Regulator Technician, during the following production season. This election must be made in writing to the Chief Engineer. If such election is not made, the vacant position(s) shall be advertised and awarded effective the day after New Years Day; or, for the positions of No. II Tamper Operator Technician, Stabilizer Technician and Ballast Regulator Technician, effective with the beginning of the production season in accordance with the foregoing procedures. Prior incumbent(s) may exercise seniority under Rule 5 as of such day.

5. All technician position vacancies shall be advertised and awarded in accordance with the provisions of this agreement and Rule 4.

6. Incumbents of the Tamper Operator Technician No. I and Tamper Repairman Technician positions will participate in the operation, repair and maintenance of the continuous action tamper during the work season and in the repair and maintenance of the tamper in the off season.

7. Employees awarded the Tamper Operator Technician positions I and II will be required to observe their vacation between November 15 and March 15 except that such restriction shall not apply for one week of vacation to those employees who are entitled to two or more weeks of vacation.

8. It is understood that no separate seniority roster or seniority class shall be created for the technician positions.

9. For claims and grievances arising under this agreement, the Chief Engineer is substituted for the Engineer Track in the application of Rule 6A. Any dispute over the initial awards will be handled directly by the Chief Engineer and General Chairman for resolution.

10. The parties recognize that it is to their mutual interest to secure off-property foreign line work and are agreeable to work together toward that end when opportunities permit.

11. Effective February 15, 1990, the $18.25 per day per diem allowance provided for in Section 8 of the March 1, 1975 Production Gang Agreement is increased to $23.50.
This agreement is entered into this 23rd day of February, 1990 and shall remain in effect unless cancelled by twenty-five days advance written notice, which may only be served between October 15 and November 15 by either the General Chairman or the Director of Labor Relations. Notice to amend this agreement may be served by the parties in accordance with the Railway Labor Act, as amended.

J.P. Cassesse, General Chairman  
R.J. O’Brien, Asst.Dir. Lab. Relations

(Signatures not reproduced)

(Remainder of page left blank intentionally)
APPENDIX I

NIGHT GANG AGREEMENT

THIS AGREEMENT ENTERED INTO THIS 14TH DAY OF MAY 1999 BETWEEN GRAND TRUNK WESTERN RAILWAY COMPANY AND ITS EMPLOYEES REPRESENTED BY THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES WITH RESPECT TO WORKING A SPECIFIC GANG OUTSIDE THE STARTING TIMES UNDER RULE 12 AND THIS AGREEMENT ENTERED INTO THIS 14TH DAY OF MAY 1999 BETWEEN GRAND TRUNK THE REGULAR WORK WEEK OUTSIDE RULE 10 OF OUR MAY 18, 1998 AGREEMENT.

In our May 14, 1999 meeting it was agreed that pursuant to Rules 10(a) and 12(d) of the BMWE Agreement effective January 1, 1999 the starting times and work week will be established at Flint, MI as follows:

1. Assignments with starting times and rest days as specified below will be established with Headquarters at Flint, MI. Such assignments will form a crew hereafter referred to as the “Night Gang.”

2. The night gang will consist of not less than (2) employees and not more than five employees. One employee will be a Track Foreman.

3. The normal tour of duty for the night gang will be five (5) days a week. The hours of assignment will be 2300 to 0700 (11:00PM-7:00AM) with a paid one-half hour lunch. The rest days will be Monday and Tuesday.

4. The Night Gang will be governed by the Rules of the BMWE Agreement, effective May 18, 1998.

5. The employees assigned as spelled out above, will in addition to their regular rate of pay, receive fifty (50) cents per hour (premium pay) while assigned to the Night Gang. The fifty (50) cents will be rolled into the regular rates of pay and will not be referred to as a differential.

6. The employees assigned to the Night Gang will not be placed in a worse position in respect to holidays and vacations as the result of this Agreement.

7. Any Night Gang employee who is required to exercise seniority to a four (4) day assignment will not lose pay as a result of moving from one assignment to another.

8. This Agreement may be canceled upon twenty (20) days written notice by either party.
9. This Agreement is based on the particular circumstances that exist at this specific location in the Flint Sub-division.

10. It is understood that this Agreement shall establish no precedent value in any other circumstances. Neither party shall refer to this Agreement in any arbitral, bargaining, or judicial form, except as it relates to the enforcement of this Agreement. Signed at Romulus, MI this 14th day of May, 1999.

I Agree

/S/

Perry K. Geller
General Chairman CRSF, BMWE

I Agree

/S/

Kimberly Madigan
Director-Human Resources

(Signatures not reproduced)

(Remainder of page left blank intentionally)
APPENDIX J

HOLLAND WELDING AGREEMENT

MEMORANDUM OF AGREEMENT

By and Between

THE GRAND TRUNK WESTERN RAILROAD INCORPORATED

And its Employees Represented By

THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES

The following is hereby agreed effective March 22, 2002:

1. The Holland Welder may be on the GTW property working with production, construction and maintenance gangs from time to time.

2. GTW agrees to train two (2) BMWE welders and two (2) BMWE welder helpers to work with the Holland Welder in accordance with the terms and conditions set forth in Rule 43-Training. When each Holland Welder is in operation, one (1) BMWE welder and one (1) BMWE helper will be assigned. These positions will be assigned in accordance with Rule 3, Section 1,-Selection of Positions.

3. The BMWE welders and BMWE helpers assigned to work with the Holland welder will work throughout the GTW System. They will be considered a production force i.e., such positions will be reimbursed for travel, meals, lodging and reporting point allowances as prescribed by Rule 16 of our Agreement.

4. The intent of this Agreement is to train two (2) BMWE welders and two (2) BMWE helpers to learn the operation and work with the Holland Welder while it is in operation on the GTW property.

5. If either the BMWE welder or BMWE helper position assigned to work with each Holland Welder is not available (vacation, sick, etc.), another available BMWE welder or BMWE helper will be assigned to train and work with the Holland Welder in compliance with Rule 43-Training, and Rule 3, Section 4-Filling temporary vacancies.

6. A copy of this Agreement will be posted with the job advertisements.

/S/                       /S/
Perry K. Geller Sr.                            M. J. Kovacs
General Chairman CRSF                                    Director- Labor Relations-
GTW

(Signatures not reproduced)
APPENDIX K

FEBRUARY 7, 1965 AGREEMENT

ARTICLE I - PROTECTED EMPLOYEES

Section 1 -

All employees, other than seasonal employees, who are in active service and who have or attain ten (10) or more years’ of employment relationship will be retained in service subject to compensation as herein provided unless or until retired, discharged for cause, or otherwise removed by natural attrition. For the purpose of this Agreement, the term “active service” is defined to include all employees working, or holding an assignment, or in the process of transferring from one assignment to another (whether or not the date on which such ten or more years of employment relationship is acquired was a work day). An employee who is not regularly assigned on the date the employee is otherwise eligible to achieve protected status under this Section will be deemed to be protected on the first day assigned to a regular position in accordance with existing rules of the BMWE Agreement.

Section 2 -

Seasonal employees, who had compensated service during each of the years 1995, 1996, and 1997 who otherwise meet the definition of "protected" employees under Section 1, will be offered employment in future years at least equivalent to what they performed in 1997 unless or until retired, discharged for cause, or otherwise removed by natural attrition.

Section 3 -

In the event of a decline in a carrier's business in excess of 5 per cent in the average percentage of both gross operating revenue and net revenue ton miles in any 30-day period compared with the average of the same period for the years 1963 and 1964, a reduction in forces in the crafts represented by each of the organizations signatory hereto may be made at any time during the said 30-day period below the number of employees entitled to preservation of employment under this Agreement to the extent of one per cent for each one per cent the said decline exceeds five per cent.

The average percentage of decline shall be the total of the percent of decline in gross operating revenue and percent of decline in net revenue ton miles divided by two. Advance notice of any such force reduction shall be given as required by
the current Schedule Agreements of the organizations signatory hereto. Upon restoration of a carrier’s business following any such force reduction, employees entitled to preservation of employment must be recalled in accordance with the same formula within 15 calendar days.

Section 4 -

Notwithstanding other provisions of this Agreement, a carrier shall have the right to make force reductions under emergency conditions such as flood, snowstorm, hurricane, earthquake, fire or strike, provided that operations are suspended in whole or in part and provided further that because of such emergencies the work which would be performed by the incumbents of the positions to be abolished or the work which would be performed by the employees involved in the force reductions no longer exists or cannot be performed. Sixteen hours advance notice will be given to the employees affected before such reductions are made. When forces have been so reduced and thereafter operations are restored employees entitled to preservation of employment must be recalled upon the termination of the emergency. In the event the carrier is required to make force reductions because of the aforesaid emergency conditions, it is agreed that any decline in gross operating revenue and net revenue ton miles resulting there from shall not be included in any computation of a decline in the carrier’s business pursuant to the provisions of Section 3 of this Article I.

Section 5 -

Subject to and without limiting the provisions of this Agreement with respect to furloughs of employees, reductions in forces, employee absences from service or with respect to cessation or suspension of an employee’s status as a protected employee, the carrier agrees to maintain work forces of protected employees represented by each organization signatory hereto in such manner that force reductions of protected employees below the established base as defined herein shall not exceed six per cent (6%) per annum. The established base shall mean the total number of protected employees in each craft represented by the organizations signatory hereto who qualify as protected employees under Section 1 of this Article I.

ARTICLE II - USE AND ASSIGNMENT OF EMPLOYEES AND LOSS OF PROTECTION

Section 1 -

An employee shall cease to be a protected employee in case of resignation, death, retirement, dismissal for cause in accordance with existing agreements, or
failure to retain or obtain a position available to him/her in the exercise of the employee’s seniority rights in accordance with existing rules or agreements, or failure to accept employment as provided in this Article. A protected furloughed employee who fails to respond to extra work when called shall cease to be a protected employee. If an employee dismissed for cause is reinstated to service, the employee will be restored to the status of a protected employee as of the date of the employee’s reinstatement.

Section 2

An employee shall cease to be a protected employee in the event of the employee’s failure to accept employment in the employee’s craft offered to him/her by the carrier in any seniority district or on any seniority roster throughout the carrier’s railroad system as provided in implementing agreements made pursuant to Article III hereof, provided, however, that nothing in this Article shall be understood as modifying the provisions of Article V hereof.

Section 3 -

When a protected employee is entitled to compensation under this Agreement, the employee may be used in accordance with existing seniority rules for vacation relief, holiday vacancies, or sick relief, or for any other temporary assignments, which do not require the crossing of craft lines. Traveling expenses will be paid in instances where they are allowed under existing rules. Where existing agreements do not provide for traveling expenses, in those instances, the representatives of the organization and the carrier will negotiate in an endeavor to reach an agreement for this purpose.

ARTICLE III - IMPLEMENTING AGREEMENTS

Section 1 -

The organizations recognize the right of the carriers to make technological, operational and organizational changes, and in consideration of the protective benefits provided by this Agreement the carrier shall have the right to transfer work and/or transfer employees throughout the system which do not require the crossing of craft lines. The organizations signatory hereto shall enter into such implementing agreements with the carrier as may be necessary to provide for the transfer and use of employees and the allocation or rearrangement of forces made necessary by the contemplated change. One of the purposes of such implementing agreements shall be to provide a force adequate to meet the carrier’s requirements.
Section 2 -

Except as provided in Section 3 hereof, the carrier shall give at least 60 days (90 days in cases that will require a change of an employee’s residence) written notice to the organization involved of any intended change or changes referred to in Section 1 of this Article whenever such intended change or changes are of such a nature as to require an implementing agreement as provided in said Section 1. Such notice shall contain a full and adequate statement of the proposed change or changes, including an estimate of the number of employees that will be affected by the intended change or changes. Any change covered by such notice which is not made within a reasonable time following the service of the notice, when all of the relevant circumstances are considered, shall not be made by the carrier except after again complying with the requirements of this Section 2.

Section 3 -

The carrier shall give at least 30 days notice where it proposes to transfer no more than five employees across seniority lines within the same craft and the transfer of such employees will not require a change in the place of residence of such employee or employees, such notice otherwise to comply with Section 2 hereof.

Section 4 -

In the event the representatives of the carrier and organizations fail to make an implementing agreement within 60 days after notice is given to the general chairman or general chairmen representing the employees to be affected by the contemplated change, or within 30 days after notice where a 30-day notice is required pursuant to Section 3 hereof, the matter may be referred by either party to the Disputes Committee as hereinafter provided. The issues submitted for determination shall not include any question as to the right of the carrier to make the change but shall be confined to the manner of implementing the contemplated change with respect to the transfer and use of employees, and the allocation or rearrangement of forces made necessary by the contemplated change.

Section 5 -

The provisions of implementing agreements negotiated as hereinabove provided for with respect to the transfer and use of employees and allocation or reassignment of forces shall enable the carrier to transfer such protected employees and rearrange forces, and such movements, allocations and rearrangements of forces shall not constitute an infringement of rights of unprotected employees who may be affected thereby.
ARTICLE IV - COMPENSATION DUE PROTECTED EMPLOYEES

Section 1 -

Subject to the provisions of Section 3 of this Article IV, protected employees who hold regularly assigned positions shall not be placed in a worse position with respect to compensation than the normal rate of compensation for said regularly assigned position as of the date they become protected; provided, however, that in addition thereto such compensation shall be adjusted to include subsequent wage increases.

Section 2 -

Subject to the provisions of Section 3 of this Article IV, all other employees entitled to preservation of employment shall not be placed in a worse position with respect to compensation than that earned during a base period comprised of the last twelve months in which they performed compensated service immediately preceding the date of this Agreement. For purposes of determining whether, or to what extent, such an employee has been placed in a worse position with respect to compensation, the employee's total compensation and total time paid for during the base period will be separately divided by twelve. If the employee's compensation in the current employment is less in any month commencing with the first month following the date of this agreement) than the average base period compensation (adjusted to include subsequent general wage increases), the employee shall be paid the difference less compensation for any time lost on account of voluntary absences to the extent that the employee is not available for service equivalent to the employee's average time paid for during the base period, but the employee shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the time paid for during the base period; provided, however, that in determining compensation in the employee's current employment the employee shall be treated as occupying the position producing the highest rate of pay and compensation to which the employee's seniority entitles the employee under the working agreement and which does not require a change in residence.

Section 3 -

Any protected employee who in the normal exercise of the employee's seniority bids in a job or is bumped as a result of such an employee exercising the employee's seniority in the normal way by reason of a voluntary action, will not be entitled to have the employee's compensation preserved as provided in Sections 1 and 2 hereof, but will be compensated at the rate of pay and conditions of the job the employee bids in; provided, however, if the employee is required to make a move or bid in a position under the terms of an implementing agreement made pursuant to Article III hereof, the employee will continue to be paid in accordance with Sections 1 and 2 of this Article IV.

APPENDIX K
Section 4 -

If a protected employee fails to exercise the employee's seniority rights to secure another available position, which does not require a change in residence, to which the employee is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position the employee elects to retain, the employee shall thereafter be treated for the purposes of this Article as occupying the position which the employee elects to decline.

Section 5 -

A protected employee shall not be entitled to the benefits of this Article during any period in which the employee fails to work due to disability, discipline, leave of absence, military service, or other absence from the carrier's service, or during any period in which the employee occupies a position not subject to the working agreement; nor shall a protected employee be entitled to the benefits of this Article IV during any period when furloughed because of reduction in force resulting from seasonal requirements (including lay-offs during Miners’ Holiday and the Christmas Season) or because of reductions in forces pursuant to Article I, Sections 3 and 4, provided, however, that employees furloughed due to seasonal requirements shall not be furloughed in any 12-month period for a greater period than they were furloughed during the 12 months preceding the date of this Agreement.

Section 6 -

The carrier and the organizations signatory hereto will exchange such data and information as are necessary and appropriate to effectuate the purposes of this Agreement.

ARTICLE V - MOVING EXPENSES AND SEPARATION ALLOWANCES

In the case of any transfers or rearrangement of forces for which an implementing agreement has been made, any protected employee who has 15 or more years of employment relationship with the carrier and who is requested by the carrier pursuant to said implementing agreement to transfer to a new point of employment requiring the employee to move the employee’s residence shall be given an election, which must be exercised within seven calendar days from the date of request, to make such transfer or to resign and accept a lump sum separation allowance in accordance with the following provisions:

If the employee elects to transfer to the new point of employment requiring a change in residence, such transfer and change of residence shall be subject to the benefits contained in Sections 10 and 11 of the Washington Agreement notwithstanding anything to the contrary contained in said provisions and in addition to such benefits

APPENDIX K
shall receive a transfer allowance of eight hundred dollars ($800) and five working days instead of the “two working days” provided by Section 10(a) of said Agreement.

If the employee elects to resign in lieu of making the requested transfer as aforesaid the employee shall do so as of the date the transfer would have been made and shall be given (in lieu of all other benefits and protections to which the employee may have been entitled under the Protective Agreement and Washington Agreement) a lump sum separation allowance which shall be computed in accordance with the schedule set forth in Section 9 of the Washington Agreement; provided, however, that force reductions permitted to be made under this Agreement shall be in addition to the number of employees who resign to accept the separation allowance herein provided. Those protected employees who do not have 15 years or more of employment relationship with the carrier and who are required to change their place of residence shall be entitled to the benefits contained in Sections 10 and 11 of the Washington Agreement notwithstanding anything to the contrary contained in such provisions and in addition to such benefits shall receive a transfer allowance of four hundred dollars $(400) and five working days instead of “two working days” provided in Section 10(a) of said Agreement.

ARTICLE VI - APPLICATION TO MERGERS, CONSOLIDATIONS AND OTHER AGREEMENTS

Section 1 -

Any merger agreement now in effect applicable to merger of two or more carriers, or any job protection or employment security agreement which by its terms is of general system-wide and continuing application, or which is not of general system-wide application but which by its terms would apply in the future, may be preserved by the employee representatives so notifying the carrier within sixty days from the date of this agreement, and in that event this agreement shall not apply on that carrier to employees represented by such representatives.

Section 2 -

In the event of merger or consolidation of two or more carriers, parties to this Agreement on which this agreement is applicable, or parts thereof, into a single system subsequent to the date of this agreement, the merged, surviving or consolidated carrier will constitute a single system for purposes of this agreement, and the provisions hereof shall apply accordingly, and the protections and benefits granted to employees under this agreement shall continue in effect.

APPENDIX K
Section 3 -

Without in any way modifying or diminishing the protection, benefits or other provisions of this agreement, it is understood that in the event of a coordination between two or more carriers as the term “coordination” is defined in the Washington Job Protection Agreement, said Washington Agreement will be applicable to such coordination, except that Section 13 of the Washington Job Protection Agreement is abrogated and the disputes provisions and procedures of this agreement are substituted therefore.

Section 4 -

Where prior to the date of this agreement the Washington Job Protection Agreement (or other agreements of similar type whether applying inter-carrier or intra-carrier) has been applied to a transaction, coordination allowances and displacement allowances (or their equivalents or counterparts, if other descriptive terms are applicable on a particular railroad) shall be unaffected by this agreement either as to amount or duration, and allowances payable under the said Washington Agreement or similar agreements shall not be considered compensation for purposes of determining the compensation due a protected employee under this agreement.

ARTICLE VII - DISPUTES COMMITTEE

Section 1 -

Any dispute involving the interpretation or application of any of the terms of this agreement and not settled on the carrier may be referred by either party to the dispute for decision to a committee consisting of two members of the Carrier’s Conference Committees signatory to this agreement, two members of the Employees’ National Conference Committee signatory to this agreement, and a referee to be selected as hereinafter provided. The referee selected shall preside at the meetings of the committee and act as chairman of the committee. A majority vote of the partisan members of the committee shall be necessary to decide a dispute, provided that if such partisan members are unable to reach a decision, the dispute shall be decided by the referee. Decisions so arrived at shall be final and binding upon the parties to the dispute.

Section 2 -

The parties to this agreement will select a panel of three potential referees for the purpose of disposing of disputes pursuant to the provisions of this section. If the parties are unable to agree upon the selection of the panel of potential referees

APPENDIX K
within 30 days of the date of the signing of this agreement, the National Mediation Board shall be requested to name such referee or referees as are necessary to fill the panel within five days after the receipt of such request. Each panel member selected shall serve as a member of such panel for a period of one year, if available. Successors to the members of the panel shall be appointed in the same manner as the original appointees.

Section 3 –

Disputes shall be submitted to the committee by notice in writing to the Chairman of the National Railway Labor Conference and to the Chairman of the Employees' National Conference Committee, signatories to this agreement, who shall within 10 days of receipt of such notice, designate the members of their respective committees who shall serve on the committee and arrange for a meeting of the committee to consider such disputes as soon as a panel referee is available to serve, and in no event more than 10 days thereafter. Decision shall be made at the close of the meeting if possible (such meeting not to continue for more than five days) but in any event within five days of the date such meeting is closed, provided that the partisan members of the committee may by mutual agreement extend the duration of the meeting and the period for decision. The notice provided for in this Section 3 shall state specifically the questions to be submitted to the committee for decision; and the committee shall confine itself strictly to decisions as to the questions so specifically submitted to it.

Section 4 -

Should any representative of a party to a dispute on any occasion fail or refuse to meet or act as provided in Section 3, then the dispute shall be regarded as decided in favor of the party whose representatives are not guilty of such failure or refusal and settled accordingly but without establishing a precedent for any other cases; provided that a partisan member of the committee may, in the absence of the employee's partisan colleague, vote on behalf of both.

Section 5 -

The parties to the dispute will assume the compensation, travel expense and other expense of their respective partisan committee members. Unless other arrangements are made, the office, stenographic and other expenses of the committee, including compensation and expenses of the referee, shall be shared by the parties to the dispute.

SIGNED AT WASHINGTON, D.C. THIS 7TH DAY OF FEBRUARY, 1965
(SIGNATURES NOT REPRODUCED)
APPENDIX L

RATES OF PAY

A. Effective January 1, 2005, all rates in effect on December 31, 2004, will be increased by 3%.

B. Effective January 1, 2006, all rates in effect on December 31, 2005, will be increased by 3%.

C. Effective January 1, 2007, all rates in effect on December 31, 2006, will be increased by 3%.

D. Effective January 1, 2008, all rates in effect on December 31, 2007, with the exceptions listed below, will be increased by 4%.

   a. Effective January 1, 2008 the rates applicable to GTW, DT&I and DTSL, shall apply as follows:

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Foremen, except Production Foremen (B&amp;B, Track, Section, Shop, W. Equip)</td>
<td>$24.13</td>
</tr>
<tr>
<td>All Assistant Foreman, except Production (B&amp;B, Track, Section, Shop, W. Equip)</td>
<td>$22.69</td>
</tr>
<tr>
<td>Production Foremen, Extra Gang Foreman</td>
<td>$24.81 (20 or more employees)</td>
</tr>
<tr>
<td></td>
<td>$24.26 (fewer than 20 employees)</td>
</tr>
<tr>
<td>Track Inspector, Patrol Foreman</td>
<td>$24.26</td>
</tr>
<tr>
<td>Asst Production Foremen (Extra Gang Assistant Foreman)</td>
<td>$23.44</td>
</tr>
<tr>
<td>Work Equipment Maintainer, Serviceman, Shop Machineman, Mechanic Truck Driver, Cat Repairman</td>
<td>$23.17</td>
</tr>
<tr>
<td>Class #3 Machine Operators</td>
<td>$20.97</td>
</tr>
<tr>
<td>All Welders, Track, B&amp;B, Work Equip, Shop</td>
<td>$24.13</td>
</tr>
<tr>
<td>All Welder Helpers, Grinders</td>
<td>$22.17</td>
</tr>
<tr>
<td>B&amp;B Carpenters 1st &amp; 2nd Class, Painters 1st &amp; 2nd Class</td>
<td>$23.17</td>
</tr>
<tr>
<td>Bridgetender, Bridgeman</td>
<td>$21.28</td>
</tr>
<tr>
<td>Trackman</td>
<td>$20.42</td>
</tr>
</tbody>
</table>

E. Effective January 1, 2009, all rates in effect on December 31, 2008, will be increased by 3%.
Job Classifications/Rates of Pay

<table>
<thead>
<tr>
<th>Track Dept.</th>
<th>Amt</th>
<th>01/01/08</th>
<th>01/01/09</th>
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<tbody>
<tr>
<td>Foreman Production Gang</td>
<td>20 or more</td>
<td>24.81</td>
<td>25.55</td>
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<tr>
<td>Foreman Production Gang less than 20</td>
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<td>24.26</td>
<td>24.99</td>
</tr>
<tr>
<td>Foreman Maintenance</td>
<td></td>
<td>24.13</td>
<td>24.85</td>
</tr>
<tr>
<td>Track Inspector &amp; Patrol Foreman</td>
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<td>24.26</td>
<td>24.99</td>
</tr>
<tr>
<td>Asst. Foreman Production Gang</td>
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<td>23.44</td>
<td>24.14</td>
</tr>
<tr>
<td>Asst. Foreman Maintenance</td>
<td></td>
<td>22.69</td>
<td>23.37</td>
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<tr>
<td>C.A.T Tamper Operator Technician I</td>
<td></td>
<td>23.62</td>
<td>24.33</td>
</tr>
<tr>
<td>C.A.T Tamper Operator Technician II</td>
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<td>23.62</td>
<td>24.33</td>
</tr>
<tr>
<td>C.A.T Tamper Repairman Technician</td>
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<td>23.17</td>
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<tr>
<td>C.A.T Stabilizer Technician</td>
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<tr>
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<td>23.20</td>
<td>23.90</td>
</tr>
<tr>
<td>C.A.T Ballast Regulator Technician I</td>
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<td>Section Trackman</td>
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<tr>
<td>Welder Grinder</td>
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<td>Welder Grinder Helper</td>
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<td>22.84</td>
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<tr>
<td>Machine Operator - Class 1</td>
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<td>22.85</td>
<td>23.54</td>
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<tr>
<td>Machine Operator - Class 2</td>
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<tr>
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<td>21.60</td>
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</table>

<table>
<thead>
<tr>
<th>Bridge &amp; Building</th>
<th>Rate</th>
<th>01/01/08</th>
<th>01/01/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreman Shop</td>
<td></td>
<td>24.13</td>
<td>23.87</td>
</tr>
<tr>
<td>Foreman B&amp;B Painters Scale</td>
<td></td>
<td>24.13</td>
<td>23.87</td>
</tr>
<tr>
<td>Asst. Foreman B&amp;B</td>
<td></td>
<td>22.69</td>
<td>23.37</td>
</tr>
<tr>
<td>B&amp;B Inspector</td>
<td></td>
<td>20.00</td>
<td>20.60</td>
</tr>
<tr>
<td>B&amp;B Carpenter 1st Class</td>
<td></td>
<td>23.17</td>
<td>23.87</td>
</tr>
<tr>
<td>B&amp;B Carpenter 2nd Class</td>
<td></td>
<td>23.17</td>
<td>23.87</td>
</tr>
<tr>
<td></td>
<td>GTW - BMWE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RATES OF PAY 01/01/08 01/01/09</td>
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<tr>
<td><strong>Work Equipment Dept.</strong></td>
<td><strong>RATE</strong></td>
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<td></td>
</tr>
<tr>
<td>Foreman Shop</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Asst. Foreman Shop</td>
<td>22.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Equipment Maintainer 1st Class</td>
<td>23.17</td>
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<td></td>
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<tr>
<td>Work Equipment Maintainer 2nd Class</td>
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<tr>
<td>Work Equipment Welder</td>
<td>24.13</td>
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<td></td>
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<tr>
<td><strong>Intentionally blank</strong></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

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APPENDIX M

VACATIONS

The following represents a synthesis in one document, for the convenience of the parties, of the current provisions of the December 17, 1941, National Vacation Agreement and amendments thereto provided in the various national agreements, with appropriate source identifications.

This is intended as a guide and is not to be construed as constituting a separate agreement between the parties. If any dispute arises as to the proper interpretation or application of any provisions, the terms of the appropriate vacation agreement shall govern.

*******************************

1 (a) An annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

   (Art. II - VACATIONS - Section 1(a) - 1/13/67 Agreement and
    Art. IV - VACATIONS - Section 1(a) - 2/10/71 Agreement)

(b) An annual vacation of ten (10) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred ten (110) days (133 days in the years 1950 - 1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of two (2) of such years, not necessarily consecutive.

   (Art. II-VACATIONS-Section 1(b)-5/17/68 Agreement and
    Art. IV-VACATIONS-Section 1(b)-2/10/71 Agreement)

(c) An annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less that one hundred (100) days during the preceding calendar year and who has eight (8) or more years of continuous service and who, during such period of continuous service renders compensated service and not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of eight (8) of such years, not necessarily consecutive.

   (Art. II-VACATIONS-Section 1(c)-1/13/67 Agreement and
(d) An annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has seventeen (17) or more years of continuous service and who during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of seventeen (17) of such years, not necessarily consecutive.

(e) Effective with the calendar year 1973, an annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-five (25) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of twenty-five (25) of such years, not necessarily consecutive.

(f) Paragraphs (a), (b), (c), (d) and (e) hereof shall be construed to grant to weekly and monthly rated employees, whose rates contemplate more than five days of service each week, vacations of one, two, three, four or five work weeks.

(g) Service rendered under agreements between a carrier and one or more of the Non-Operating Organizations parties to the General Agreement of August 21, 1954, or to the General Agreement of August 19, 1960, shall be counted in computing days of compensated service and years of continuous service for vacation qualifying purposes under this Agreement.
(h) Calendar days in each current qualifying year on which an employee renders no service because of his own sickness or because of his own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days for an employee with less than three (3) years of service; a maximum of twenty (20) such days for an employee with three (3) but less than fifteen (15) years of service; and a maximum of thirty (30) such days for an employee with fifteen (15) or more years of service with the employing carrier.

(Art.II-VACATIONS-Section 1(g)-1/13/67 Agreement and Art.IV-VACATIONS-Section 1(h)-2/10/71 Agreement)

(i) In instances where employees who have become members of the Armed Forces of the United States return to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, the time spent by such employees in the Armed Forces subsequent to their employment by the employing carrier will be credited as qualifying service in determining the length of vacations for which they may qualify upon their return to the service of the employing carrier.

(Art.IV-VACATIONS-Section 1(i)-2/10/71 Agreement)

(j) Effective January 1, 1973, in instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year preceding his return to railroad service had rendered no compensated service or had rendered compensated service on fewer days than are required to qualify for a vacation in the calendar year of his return to railroad service, but could qualify for a vacation in the year of his return to railroad service if he had combined for qualifying purposes days on which he was in railroad service in such preceding calendar year with days in such year on which he was in the Armed Forces, he will be granted, in the calendar year of his return to railroad service, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d) or (e) and (i) hereof.

(Art.IV-VACATIONS-Section 1(j)-5/21/71 Memorandum of Agreement)

(k) Effective January 1, 1973, in instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year of his return to railroad service renders compensated service on fewer days than are required to qualify for a vacation in the following calendar year, but could qualify for a vacation in such following calendar year if he had combined for qualifying purposes days on which he was in railroad service...
service in the year of his return with days in such years on which he was in the Armed Forces, he will be granted, in such following calendar year, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d) or (e) and (i) hereof.

(Section 1(k) - 5/21/71 Memorandum of Agreement)

(l) An employee who is laid off and has no seniority date and no rights to accumulate seniority, who renders compensated service on not less than one hundred twenty (120) days in a calendar year and who returns to service in the following year for the same carrier will be granted the vacation in the year of his return. In the event such an employee does not return to service in the following year for the same carrier he will be compensated in lieu of the vacation he has qualified for provided he files written request therefor to his employing officer, a copy of such request to be furnished to his local or general chairman.

(Art.II-VACATIONS-Section 1(i)-1/13/67 Agreement and Art.IV-VACATIONS-Section 1(l)-2/10/71 Agreement)

2. Insofar as applicable to the employees covered by this agreement who are also to the Vacation Agreement of December 17, 1941, as amended, Article 2 of such agreement is hereby canceled.

(Art.II-VACATIONS-Section 2 - 5/17/68 Agreement)

3. The terms of this agreement shall not be construed to deprive an employee of such additional vacation days as he may be entitled to receive under any existing rule, understanding or custom, which additional vacation days shall be accorded under and in accordance with the terms of such existing rule, understanding or custom.

(Section 3 - 12/17/41 Agreement)

An employee's vacation period will not be extended by reason of any of the eleven recognized holidays (New Years Day, Washington's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Christmas Eve, Christmas Day, Personal Holiday) or any day which by agreement has been substituted or is observed in place of any of the eleven holidays enumerated above, or any holiday which by local agreement has been substituted therefore, falling within his vacation period.

(Art.IV-VACATIONS-Section 3 - 2/10/71 Agreement)

APPENDIX M
4(a) Vacations may be taken from January 1st to December 31st and due regard consistent with requirements of service shall be given to the desires and preferences of the employees in seniority order when fixing the dates for their vacations.

The local committee of each organization signatory hereto and the representatives of the Carrier will cooperate in assigning vacation dates.

(b) The management may, upon reasonable notice (of thirty (30) days or more if possible, but in no event less than fifteen (15) days require all or any number of employees in any plant, operation, or facility, who are entitled to vacations to take vacations at the same time.

The local committee of each organization affected signatory hereto and the proper representative of the carrier will cooperate in the assignment of remaining forces.

(Section 4(a) and (b) - 12/17/41 Agreement)

5. Each employee who is entitled to vacation shall take same at the time assigned, and, while it is intended that the vacation date designated will be adhered to so far as practicable, the management shall have the right to defer same provided the employee so affected is given as much as advance notice as possible; not less than ten days notice shall be given except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty days notice will be given affected employee. If a carrier finds that it cannot release an employee for a vacation during the calendar year because of the requirements of the service, then such employee shall be paid in lieu of the vacation, the allowance hereinafter provided.

(Section 5 - 12/17/41 Agreement)

Such employee shall be paid the time and one-half rate for work performed during his vacation period in addition to his regular vacation pay.

NOTE: This provision does not supersede provisions of the individual collective agreements that require payment of double time under specified conditions.

(Art.I-VACATIONS-Section 4 - 8/21/54 Agreement)

6. The carriers will provide vacation relief workers but the vacation system shall not be used as a device to make unnecessary jobs for other workers. Where a vacation relief worker is not needed in a given instance and if failure to provide a vacation relief worker does not burden those employees remaining on the job, or burden the employee after his return from vacation, the carrier shall not be required to provide such relief worker.

(Section 6 - 12/17/41 Agreement)

APPENDIX M
7. Allowances for each day for which an employee is entitled to a vacation with pay will be calculated on the following basis:

(a) An employee having a regular assignment will be paid while on vacation the daily compensation paid by the carrier for such assignment.

(b) An employee paid a daily rate to cover all services rendered, including overtime, shall have no deduction made from his established daily rate on account of vacation allowances made pursuant to this agreement.

(c) An employee paid a weekly or monthly rate shall have no deduction made form his compensation on account of vacation allowances made pursuant to this agreement.

(d) An employee working on a piece-work on tonnage basis will be paid on the basis of the average earnings per day for the last two semi-monthly periods preceding the vacation, during which two periods such employee worked on as many as sixteen (16) different days.

(e) An employee not covered by paragraphs (a), (b), (c) or (d) of this section will be paid on the basis of the average daily straight time compensation earned in the last pay period preceding the vacation during which he performed service.

(Section 7 - 12/17/41 Agreement)

8. The vacation provided for in this Agreement shall be considered to have been earned when the employee has qualified under Article 1 hereof. If an employee's employment status is terminated for any reason, whatsoever, including but not limited to retirement, resignation, discharge, non-compliance with a union-shop agreement, or failure to return after furlough he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year if the employee has qualified therefor under Article 1. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

(Art.IV-VACATIONS-Section 2 - 8/19/60 Agreement)

9. Vacations shall not be accumulated or carried over from one vacation year to another.

(Section 9 - 12/17/41 Agreement)

APPENDIX M
10.(a) An employee designated to fill an assignment of another employee on
vacation will be paid the rate of such assignment or the rate of his own assignment,
whichever is greater; provided that if the assignment is filled by a regularly assigned
vacation relief employee, such employee shall receive the rate of the relief position.
If an employee receiving graded rates, based upon length of service and experience,
is designated to fill an assignment of another employee in the same occupational
classification receiving such graded rates who is on vacation, the rate of the relieving
employee will be paid.

(b) Where work of vacationing employees is distributed among two or more
employees, such employees will be paid their own respective rates. However, not
more than the equivalent of twenty-five per cent of the work load of a given
vacationing employee can be distributed among fellow employees without the hiring
of a relief worker unless a larger distribution of the work load is agreed to by the
proper local union committee or official.

(c) No employee will be paid less than his own normal compensation for the hours of
his own assignment because of vacations to other employees.

(Section 10 - 12/17/41 Agreement)

11. While the intention of this agreement is that the vacation period will be
continuous, the vacation may, at the request of an employee, be given in
installments if the management consents thereto.

(Section 11 - 12/17/41 Agreement)

12.(a) Except as otherwise provided in this agreement a carrier shall not be required
to assume greater expense because of granting a vacation than would be incurred if
an employee were not granted a vacation and was paid in lieu therefore under the
provision hereof. However, if a relief worker necessarily is put to substantial extra
expense over and above that which the regular employee on vacation would incur if
he had remained on the job, the relief worker shall be compensated in accordance
with existing regular relief rules.

(b) As employees exercising their vacation privileges will be compensated under this
agreement during their absence on vacation, retaining their other rights as if they
had remained at work, such absences from duty will not constitute vacancies in
their positions under any agreement. When the position of a vacationing employee
is to be filled and regular relief employee is not utilized, effort will be made to
observe the principle of seniority.

(c) A person other than a regularly assigned relief employee temporarily hired solely
for vacation relief purposes will not establish seniority rights unless so used more
than 60 days in a calendar year. If a person so hired under the terms hereof

APPENDIX M
acquires seniority rights, such rights will date from the day of original entry into service unless otherwise provided in existing agreements. (Section 12 - 12/17/41 Agreement)

13. The parties hereto having in mind conditions which exist or may arise on individual carriers in making provisions for vacations with pay agree that the duly authorized representatives of the employees, who are parties to one agreement, and the proper officer of the carrier may make changes in the working rules or enter into additional written understandings to implement the purposes of this agreement, provided that such changes or understandings shall not be inconsistent with this agreement.

(Section 13 - 12/17/41 Agreement)

14. Any dispute or controversy arising out of the interpretation or application of any of the provisions of this agreement shall be referred for decision to a committee, the carrier members of which shall be the Carriers’ Conference Committees signatory hereto, or their successors; and the employee members of which shall be the Chief Executive of the Fourteen Organizations, or their representatives, or their successors. Interpretations or applications agreed upon by the Carrier members and employee members of such committee shall be final and binding upon the parties to such dispute or controversy. This section is not intended by the parties as a waiver of any of their rights provided in the Railway Labor Act as amended, in the event committee provided in this section fails to dispose of any dispute or controversy.

(Section 14 - 12/17/41 Agreement)

Effective January 1, 1973, Section 15 is amended and will read as follows:

15. Except as otherwise provided herein, this Agreement shall be effective as of January 1, 1973, and shall be incorporated in existing agreements as a supplement thereto and shall be in full force and effect for a period of one (1) year from January 1, 1973, and continue in effect thereafter, subject to not less than seven (7) months notice in writing (which notice may be served in 1973 or in any subsequent year) by any carrier or organization party thereto, of desire to change this agreement as of the end of the year in which the notice is served. Such notice shall specify the changes desired and the recipient of such notice shall then have a period of thirty (30) days from the date of the receipt of such notice within which to serve notice specifying changes which it or they desire to make. Thereupon such proposals of the respective parties shall thereafter be negotiated and progressed concurrently to a conclusion.

(Art.IV-VACATIONS-Section 2 - 2/10/71 Agreement)
Except to the extent that articles of the Vacation Agreement of December 17, 1941 are changed by this Agreement, the said agreement and the interpretations thereof and of the Supplemental Agreement of February 23, 1945, as made by the parties, dated June 10, 1942, July 20, 1942, and July 18, 1945, and by Referee Morse in his award of November 12, 1942, shall remain in full force and effect.

In Section 1 and 2 of this Agreement certain words and phrases which appear in the Vacation Agreement of December 17, 1941, and in the Supplemental Agreement of February 23, 1945, are used. The said interpretations which defined such words and phrases referred to above as they appear in said Agreements shall apply in construing them as they appear in Sections 1 and 2 hereof.

(Art.1-VACATIONS-Section 6 - 8/21/54 Agreement)

(Remainder of page left blank intentionally)
Dear Mr. Berge:

During negotiations leading to the December 11, 1981 National Agreement, the parties reviewed in detail existing practices with respect to contracting out of work and the prospects for further enhancing the productivity of the carriers' forces.

The carriers expressed the position in these discussions that the existing rule in the May 17, 1968 National Agreement, properly applied, adequately safeguarded work opportunities for their employees while preserving the carriers' right to contract out work in situations where warranted. The organization, however, believed it necessary to restrict such carriers' rights because of its concerns that work within the scope of the applicable schedule agreement is contracted out unnecessarily.

Conversely, during our discussions of the carriers' proposals, you indicated a willingness to continue to explore ways and means of achieving a more efficient and economical utilization of the work force.

The parties believe that there are opportunities available to reduce the problems now arising over contracting of work. As a first step, it is agreed that a Labor-Management Committee will be established. The Committee shall consist of six members to be appointed within thirty days of the date of the December 11, 1981 National Agreement. Three members shall be appointed by the Brotherhood of Maintenance of Way Employees and three members by the National Carriers' Conference Committee. The members of the Committee will be permitted to call upon other parties to participate in meetings or otherwise assist at any time.
The initial meeting of the Committee shall occur within sixty days of the date of the December 11, 1981 National Agreement. At that meeting, the parties will establish a regular meeting schedule so as to ensure that meetings will be held on a periodic basis.

The Committee shall retain authority to continue discussions on these subjects for the purpose of developing mutually acceptable recommendations that would permit greater work opportunities for maintenance of way employees as well as improve the carriers' productivity by providing more flexibility in the utilization of such employees.

The carriers assure you that they will assert good-faith efforts to reduce the incidence of subcontracting and increase the use of their maintenance of way forces to the extent practicable, including the procurement of rental equipment and operation thereof by carrier employees.

The parties jointly reaffirm the intent of Article IV of the May 17, 1968 Agreement that advance notice requirements be strictly adhered to and encourage the parties locally to take advantage of the good faith discussions provided for to reconcile any differences. In the interests of improving communications between the parties of subcontracting, the advance notices shall identify the work to be contracted and the reasons therefor.

Notwithstanding any other provision of the December 11, 1981 National Agreement, the parties shall be free to serve notices concerning the matters herein at any time after January 1, 1984. However, such notices shall not become effective before July 1, 1984.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

(Original signed by Charles I. Hopkins, Jr.)

I concur:

(Original signed by O. M. Berge)

APPENDIX N
Section 1.

The amount of subcontracting on a carrier, measured by the ratio of adjusted engineering department purchased services (such services reduced by costs not related to contracting) to the total engineering department budget for the five-year period 1992-1996, will not be increased without employee protective consequences. In the event that subcontracting increases beyond that level, any employee covered by this agreement who is furloughed as a direct result of such increased subcontracting shall be provided New York Dock level protection for a dismissed employee, subject to the responsibilities associated with such protection.

Section 2.

Existing rules concerning contracting out applicable to employees covered by this Agreement will remain in full force and effect.

(The following is from May 17, 1968 National Agreement)

ARTICLE IV- CONTRACTING OUT

In the event a carrier plans to contract out work within the scope of the applicable schedule agreement, the carrier shall notify the General Chairman of the organization involved in writing as far in advance of the date of the contracting transaction as is practicable and in any event not less than 15 days prior thereto.

If the General Chairman, or his representative, requests a meeting to discuss matters relating to the said contracting transaction, the designated representative of the carrier shall promptly meet with him for that purpose. Said carrier and organization representatives shall make a good faith attempt to reach an understanding concerning said contracting, but if no understanding is reached the carrier may nevertheless proceed with said contracting, and the organization may file and progress claims in connection therewith.

Nothing in this Article IV shall affect the existing rights of either party in connection with contracting out. Its purpose is to require the carrier to give advance notice and, if requested, to meet with the General Chairman or his representative to discuss and if possible reach an understanding in connection therewith.
Existing rules with respect to contracting out on individual properties may be retained in their entirety in lieu of this rule by an organization giving written notice to the carrier involved at any time within 90 days after the date of this agreement.

(remainder of page left blank intentionally)
APPENDIX O

ELIGIBILITY REQUIREMENTS FOR BENEFIT COVERAGE
(From May 18, 1998 Agreement, Side Letter #3)

May 18, 1998
Letter #3

Mr. P. K. Geller, Sr.               Mr. P. R. Beard
General Chairman CRSF              General Chairman NP & WLE
58 Grande Lake Drive    2665 Navarre Avenue - Suite A
Port Clinton, OH 43452-1450   Oregon, OH 43616

Gentlemen:

This will confirm our understanding with respect to the application of the seven (7) calendar days per month eligibility requirements for benefit coverage under the health and welfare, dental and vision plans. The understanding is as follows:

1. Nothing contained in this letter shall in any way add to, diminish or alter existing rights and/or obligations of both carriers and employees with regard to eligibility requirements for benefit coverage for employees going on furlough, furloughed or returning from furlough.

2. An employee whose assignment commences on one (1) calendar day and ends on the following calendar day shall be deemed to have rendered compensated service on one (1) calendar day. This remains true even if the employee works overtime on that assignment during the following calendar days unless:

   (a) such employee’s overtime on the following calendar day continues into his/her regularly scheduled work hours; or

   (b) the employee’s overtime on the following calendar day occurs on his/her rest day and such overtime continues into the hours of what would have been the employee’s regular work day, based on the employee’s assignment immediately preceding the rest day, had the rest day been a regular work day.

In the event 2(a) or 2(b) occurs the employee shall be deemed to have rendered compensated service on two (2) calendar days. If the overtime continues uninterrupted for more than two (2) calendar days, the same principles will apply in
determining for purposes of benefit eligibility the number of calendar days on which the employee shall be deemed to have rendered compensated service.

3. An employee whose assignment commences on one (1) calendar day and ends on the following calendar day, and who then works another assignment during that following day shall be deemed to have rendered compensated service on two (2) calendar days.

4. An employee who works (or who reports to work but is instructed not to work by carrier because of inclement weather) on an eight (8) hours day’s assignment shall be deemed to have rendered compensated service on one (1) calendar day for each calendar day he/she works such assignment or reports to work for such assignment but is instructed not to work because of inclement weather. An employee who works (or who reports to work but is instructed not to work by carrier because of inclement weather) on a ten (10) hours day’s assignment in lieu of an eight (8) hour day’s assignment will be deemed to have rendered compensated service on one and one-quarter (1.25) calendar days for each calendar day he/she works such assignment or reports to work for such assignment but is instructed not to work because of inclement weather. Similarly, an employee on assignment where the regular work day is programmed to consist of more than eight (8) hours (e.g. 9, 11, 12, 13 hours) shall be deemed to have rendered compensated service on one and a fraction of another calendar day worked, on the same principle as described above.

5. An employee called in to work on his/her rest day shall be deemed to have rendered compensated service on one (1) calendar day.

6. A new employee who reports for duty on the first day allowed, who has less than seven (7) calendar days on which he/she is assigned to work remaining in the month, will be eligible for benefits in the following month provided the employee works all regularly assigned days in such month.

7. The change in eligibility requirements is not intended to alter current practices with respect to whether vacations, holidays, personal leave days, bereavement leave and jury duty are considered as days of compensated service for purposes of the health, dental and vision plans.

8. An employee who is called to military duty to respond to an emergency (e.g. The Gulf War) and as a result is not able to meet the seven (7) day eligibility requirement shall remain eligible for benefits for four (4) months after the month in which compensated service was last performed.

8. An employee who is suspended, dismissed or retires and, consequently, does not meet the seven (7) calendar days per month eligibility requirement shall receive the same extension of coverage as such person received prior to such change.
10. Any lapse in benefits occurring as a result of this eligibility change shall not continue beyond the month so affected, provided such employee meets the eligibility requirements governing the immediately following month.

Please acknowledge your agreement by signing your name in the space provided below.

Sincerely,                                      Agreed:

/S/                                               /S/

J. P. Vast-Binder                          Perry K. Geller, Sr.
Director Human Resources                   General Chairman CRSF

/S/

Paul R. Beard
General Chairman NP &WLE

(Signatures not reproduced)

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## APPENDIX P

### JOB CLASSIFICATIONS

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<thead>
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<th>Dept</th>
<th>Group</th>
<th>Position</th>
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<td>Foreman, Light Maintenance &amp; Patrol</td>
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<td>Track</td>
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<td>Assistant Foreman, Light Maintenance &amp; Patrol</td>
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<td>C</td>
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<td>Machine Operator Second Class **</td>
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<td>Foreman, Production Gang &lt;= 19 employees</td>
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<tr>
<td>Foreman</td>
<td>Track</td>
<td>A</td>
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<td>Electromatic Tamper Operator</td>
<td>Track</td>
<td>C</td>
<td>Machine Operator - Class 2 **</td>
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<td>Kershaw Ballast Operator</td>
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<td>B&amp;B</td>
<td>A</td>
<td>B&amp;B Carpenter 1st Class</td>
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<td>B&amp;B Carpenter 1st Class</td>
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** - GTW Machine rate applies.

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APPENDIX Q

OFF TRACK VEHICLE BENEFITS

ARTICLE V- PAYMENTS TO EMPLOYEES INJURED UNDER CERTAIN CIRCUMSTANCES
(updated to reflect revisions from BMWE 9-26-96 National agreement, Article X)

Where employees sustain personal injuries or death under the conditions set forth in paragraph (a) below, the carrier will provide and pay such employees, or their personal representative, the applicable amounts set forth in paragraph (b) below, subject to the provisions of other paragraphs in this Article.

(a) Covered Conditions-

This Article is intended to cover accidents involving employees covered by this agreement while such employees are riding in, boarding, or alighting from off-track vehicles authorized by the carrier and are

(1) deadheading under orders or

(2) being transported at carrier expense.

(b) Payments to be Made -

In the event that any one of the losses enumerated in subparagraphs (1), (2) and (3) below results from an injury sustained directly from an accident covered in paragraph (a) and independently of all other causes and such loss occurs or commences within the time limits set forth in subparagraphs (1), (2) and (3) below, the carrier will provide, subject to the terms and conditions herein contained, and less any amounts payable under Group Policy Contract GA-23000 of The Travelers Insurance Company or any other medical or insurance policy or plan paid for in its entirety by the carrier, the following benefits:

(1) Accidental Death or Dismemberment

The carrier will provide for loss of life or dismemberment occurring within 120 days after date of an accident covered in paragraph (a):
<table>
<thead>
<tr>
<th>Loss of Life</th>
<th>$300,000</th>
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<tbody>
<tr>
<td>Loss of Both Hands</td>
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<tr>
<td>Loss of Both Feet</td>
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<tr>
<td>Loss of Sight of Both Eyes</td>
<td>300,000</td>
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<tr>
<td>Loss of One Hand and One Foot</td>
<td>300,000</td>
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<tr>
<td>Loss of One Hand and Sight of One Eye</td>
<td>300,000</td>
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<td>Loss of One Foot and Sight of One Eye</td>
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<tr>
<td>Loss of One Hand or One Foot or Sight of One Eye</td>
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"Loss" shall mean, with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

Not more than $300,000 will be paid under this paragraph to any one employee or his personal representative as a result of any one accident.

(2) Medical and Hospital Care

The carrier will provide payment for the actual expense of medical and hospital care commencing within 120 days after an accident covered under paragraph (a) of injuries incurred as a result of such accident, subject to limitation of $3,000 for any employee for any one accident, less any amounts payable under Group Policy Contract GA-23000 of The Travelers Insurance Company or under any other medical or insurance policy or plan paid for in its entirety by the carrier.

(3) Time Loss

The carrier will provide an employee who is injured as a result of an accident covered under paragraph (a) hereof and who is unable to work as a result thereof commencing within 30 days after such accident 80% of the employee's basic full-time weekly compensation from the carrier for time actually lost, subject to a maximum payment of $1000.00 per week for time lost during a period of 156 continuous weeks following such accident provided, however, that such weekly payment shall be reduced by such amounts as the employee is entitled to receive as sickness benefits under provisions of the Railroad Unemployment Insurance Act.

(4) Aggregate Limit

The aggregate amount of payments to be made hereunder is
limited to $10,000,000 for any one accident and the carrier shall not be liable for any amount in excess of $10,000,000 for any one accident irrespective of the number of injuries or deaths which occur in or as a result of such accident. If the aggregate amount of payments otherwise payable here-under exceeds the aggregate limit herein provided, the carrier shall not be required to pay as respects each separate employee a greater proportion of such payments than the aggregate limit set forth herein bears to the aggregate amount of all such payments.

(c) Payment in Case of Accidental Death:

Payment of the applicable amount for accidental death shall be made to the employee's personal representative for the benefit of the persons designated in, and according to the apportionment required by the Federal Employers Liability Act (45 U.S.C. 51 et seq., as amended), or if no such person survives the employee, for the benefit of his estate,

(d) Exclusions:

Benefits provided under paragraph (b) shall not be payable for or under any of the following conditions:

(1) Intentionally self-inflicted injuries, suicide or any attempt thereat, while sane or insane;

(2) Declared or undeclared war or any act thereof;

(3) Illness, disease, or any bacterial infection other than bacterial infection occurring in consequence of an accidental cut or wound;

(4) Accident occurring while the employee driver is under the influence of alcohol or drugs, or if an employee passenger who is under the influence of alcohol or drugs in any way contributes to the cause of the accident;

(5) While an employee is a driver or an occupant of any conveyance engaged in any race or speed test;

(6) While an employee is commuting to and/or from his residence or place of business.
(e) Offset:

It is intended that this Article V is to provide a guaranteed recovery by an employee or his personal representative under the circumstances described, and that receipt of payment thereunder shall not bar the employee or his personal representative from pursuing any remedy under the Federal Employers Liability Act or any other law; provided, however, that any amount received by such employee or his personal representative under this Article may be applied as an offset by the railroad against any recovery so obtained.

(f) Subrogation:

The carrier shall be subrogated to any right of recovery an employee or his personal representative may have against any party for loss to the extent that the carrier has made payments pursuant to this Article.

The payments provided for above will be made, as above provided, for covered accidents on or after May 1, 1971.

It is understood that no benefits or payments will be due or payable to any employee or his personal representative unless such employee, or his personal representative, as the case may be, stipulates as follows:

"In consideration of the payment of any of the benefits provided in Article V of the Agreement of February 10, 1971,

(employee or personal representative) agrees to be governed by all of the conditions and provisions said and set forth by Article V."

Savings Clause

This Article V supersedes as of May 1, 1971, any agreement providing benefits of a type specified in paragraph (b) hereof under the conditions specified in paragraph (a) hereof; provided, however, any individual railroad party hereto, or any individual committee representing employees party hereto, may by advising the other party in writing by April 1, 1971, elect to preserve in its entirety an existing agreement providing accident benefits of the type provided in this Article V in lieu of this Article V.
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