

AGREEMENT

Between

GRAND TRUNK WESTERN RAILROAD Co. (GTW)

And its employees represented by

**BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION
INTERNATIONAL BROTHERHOOD OF TEAMSTERS (BMWED)**

ARTICLE I – RATES OF PAY

- A. Effective July 1, 2010 all rates of pay in effect on June 30, 2010 are increased by two percent (2%).
- B. Effective July 1, 2011 all rates of pay in effect on June 30, 2011 are increased by two and one-half percent (2.5%).
- C. Effective July 1, 2012 all rates of pay in effect on June 30, 2012 are increased by 4.3 percent (4.3%).
- D. Effective July 1, 2013 all rates of pay in effect on June 30, 2013 are increased by three percent (3%).
- E. Effective July 1, 2014 all rates of pay in effect on June 30, 2014 are increased by 3.8 percent (3.8%).
- F. Effective January 1, 2015 all rates of pay in effect on December 31, 2014 are increased by three percent (3%).
- G. Rates of pay resulting from the applications of Paragraphs A through F, which end in fractions of a cent, shall be rounded to the nearest whole cent. Fractions less than one-half of a cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

ARTICLE II – LUMP SUM PAYMENT

- A. A lump sum payment shall be made to each employee subject to this Agreement who has an employment relationship with the carrier as of the date such lump sum is paid or who has retired or died subsequent to October 31, 2010. Such lump sum shall be paid no later than ninety (90) days after the date of this Agreement. There shall be no duplication of lump sum payments by virtue of employment under an agreement with another organization.
- B. The lump sum amount payable to an eligible employee shall be a lump sum equivalent to 1% of straight time earnings paid to that employee for the twelve month period November 1, 2010 through October 31, 2011, after application of the July 1, 2010, and July 1, 2011 general wage increases provided for herein.

ARTICLE III – HEALTH and WELFARE

All employees subject to this Agreement shall continue to be covered by the National Health and Welfare Plans as negotiated between the BMWED and the National Carriers Conference Committee, including cost-sharing provisions and all subsequent amendments.

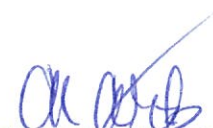
Effective July 1, 2012 the amount of the cost sharing for each employee shall be adjusted to equal the amount paid by Maintenance of Way employees covered by the April 25, 2012 Agreement between the National Carriers Conference Committee and the BMWED.

ARTICLE V – GENERAL PROVISIONS

- A. The purpose of this Agreement is to settle the disputes growing out of the notices served by the Carrier upon the Organization on or subsequent to November 1, 2009 (including any notices outstanding as of that date), and the notices served by the Organization upon the Carrier on or subsequent to November 1, 2009 (including any notices outstanding as of that date) and to fix the general level of compensation and rules covering working conditions through December 31, 2014, 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 or progress, prior to November 1, 2014 (not to become effective before January 1, 2015), any notice or proposal.
- C. This Article will not bar management and the organization from agreeing upon any subject of mutual interest.

Signed at Homewood, Illinois this 14th day of April, 2014

FOR THE GRAND TRUNK WESTERN

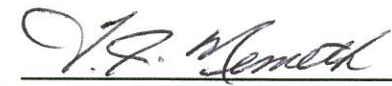


C.K. Cortez
Senior Manager - Labor Relations

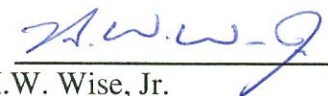


T. M. Sullivan
Director - Labor Relations

FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYEES
DIVISION



T.J. Nemeth
General Chairman



H.W. Wise, Jr.
Vice President



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 1

April 14, 2014

Mr. T. J. Nemeth, General Chairman
BMWED
58 Grande Lake Drive, Suite No. 2
Port Clinton, OH 43452-1450

Dear Mr. Nemeth:

This confirms our understanding with respect to the general wage increases provided for in Article I of the Agreement of this date.

The carrier will make all reasonable efforts to pay the retroactive portion of such general wage increases as soon as possible and no later than sixty (60) days after the date of this Agreement.

If it is impossible to make such payments by that date, we shall notify you in writing explaining why such payments have not been made and indicating when the payments will be made.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C.K. Cortez', with a large, sweeping flourish extending upwards and to the right.

C.K. Cortez
Senior Manager – Labor Relations

I agree:

A handwritten signature in blue ink, appearing to read 'T.J. Nemeth', written in a cursive style.

T.J. Nemeth



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 2

April 14, 2014

Mr. T. J. Nemeth, General Chairman
BMWED
58 Grande Lake Drive, Suite No. 2
Port Clinton, OH 43452-1450

Dear Mr. Nemeth:

This refers to the increase in wages provided for in Sections A through D of Article I of the Agreement of this date.

It is understood that the retroactive portion of those wage increases shall be applied only to employees who have an employment relationship with a carrier on the date of this Agreement or who retired or died subsequent to June 30, 2010.

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

Sincerely,

C.K. Cortez
Senior Manager – Labor Relations

I agree:

T.J.Nemeth



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 3

April 14, 2014

Mr. T. J. Nemeth, General Chairman
BMWED
58 Grande Lake Drive, Suite No. 2
Port Clinton, OH 43452-1450

Dear Mr. Nemeth:


This confirms our understanding with respect to Article I, Section 6 of the Agreement of this date.

Article I, Section F of the Agreement provides for a three (3) percent general wage increase effective January 1, 2015. Article V, Section b of the Agreement provides that the parties to the Agreement may serve and progress notices or proposals to amend the Agreement and other existing agreements on or after November 1, 2014 (not effective before January 1, 2015) ("2015 Bargaining Notices").


This will confirm our understanding that if disposition of the 2015 Bargaining Notices is referred to any third party (including but not limited to a Presidential Emergency Board or arbitration board), this Letter may be provided to such body to confirm the parties' mutual understanding that Article I, Section F was intended to constitute a complete resolution of the compensation adjustment issue for calendar year 2015.

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

Sincerely,


C.K. Cortez
Senior Manager – Labor Relations

I agree:


T.J. Nemeth

