

MEMORANDUM OF AGREEMENT

BETWEEN

CSX TRANSPORTATION, INC.

AND

THE BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYES DIVISION OF THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS

WHEREAS, track inspection work is reserved to BMWED members by the Scope Rule of the June 1, 1999 Agreement; and,

WHEREAS, the parties recognize that track inspection is vitally important for the safe and efficient operation of the CSXT rail system; and,

WHEREAS, the parties recognize the value of attracting and retaining highly skilled employees in Track Inspector and Assistant Track Inspector positions; and,

WHEREAS, the parties recognize the importance of providing training and education for Track Inspectors and Assistant Track Inspectors;

IT IS THEREFORE AGREED:

- I. Effective January 31, 2011, the hourly rate of pay for Track Inspectors shall be increased to \$27.06 and the hourly rate of pay for Assistant Track Inspectors shall be increased to \$26.30, subject to all future general wage increases.
- II. Employees assigned by bulletin to Track Inspector and Assistant Track Inspector positions shall not be permitted to bid off such positions for a period of one year (365 days) from the date they physically assume the duties of the position, except in cases of hardship, or to another Track Inspector or Assistant Track Inspector position. Employees who desire to be released from a Track Inspector or Assistant Track Inspector position as a result of an unforeseen hardship shall make their request, in writing, to the Director of Labor Relations, with a copy to the employee's General Chairman. The Director and General Chairman shall cooperate to determine if the employee shall be allowed to bid off to another position and shall so notify him, in writing, within ten (10) days of receiving his request.
- III. An employee who exercises seniority pursuant to Rule 4, Section 2 of the June 1, 1999 Agreement to displace a Track Inspector or Assistant Track Inspector with less seniority shall not be permitted to bid off that position for a one year (365 days) period beginning from the date that he physically assumes the duties of that position, except: 1) in the case of a hardship as referenced in II above; 2) to bid to a SPG position during seasonal start-up (but no later than February 28th of each year); or 3) to bid to another Track Inspector or Assistant Track Inspector position.

- IV. For each consecutive one year (365 days) period that an employee remains on a Track Inspector or Assistant Track Inspector position, he shall be entitled to a lump sum continuity payment as follows:

After 1 year (365 days)	\$1,500.00
After 2 years	\$2,000.00
After 3 years	\$2,500.00
After 4 years and all successive years	\$3,000.00

Such continuity compensation shall be paid within thirty (30) days of the completion of each one year (365 days) of service on the Track Inspector or Assistant Track Inspector position. Employees who voluntarily vacate a Track Inspector or Assistant Track Inspector position, except to occupy another Track Inspector or Assistant Track Inspector position, will forfeit all entitlement to the lump sum continuity payment; however, if the Carrier abolishes a Track Inspector or Assistant Track Inspector position or if a Track Inspector or Assistant Track Inspector is displaced by a senior employee, the Carrier will be required to pay the continuity compensation earned as of that date on a pro-rated basis, payable within thirty (30) of the employee leaving the position.*

*(Example - If an employee worked a Track Inspector position from January 1st to June 30th (a total of 181 days) and was displaced by a senior employee on July 1st, the displaced employee would be entitled to 181/365 of the lump sum payment for occupying the position from January 1st to June 30th. The same lump sum payment would be required if the Carrier abolished the Track Inspector position effective July 1st.)

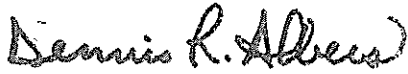
- V. Bulletins advertising Track Inspector or Assistant Track Inspector positions shall clearly identify the territory, by mile post locations, that each Track Inspector and Assistant Track Inspector shall be responsible for inspecting. If the Carrier changes the territory to be inspected, the Track Inspector or Assistant Track Inspector shall, after providing twenty (20) days written notice to his supervisor, have the right to vacate his position and exercise seniority to obtain another position for which he is qualified.
- VI. The May 11, 2009 Track Inspector letter circulated by the Chief Engineer-MW is hereby incorporated in and made a part of this Agreement, and is identified as "Attachment A".
- VII. A. The maximum disciplinary penalty under Rule 25 for a Track Inspector or Assistant Track Inspector who fails to detect a track defect or take appropriate remedial action (e.g., remove track from service, slow order, repair) shall be disqualification as a Track Inspector or Assistant Track Inspector and a ten (10) day suspension. No Track Inspector or Assistant Track Inspector who is disciplined pursuant to Rule 25 for failure to detect a track defect or take appropriate remedial action shall be dismissed, suspended for more than ten (10) days or suffer a loss of seniority in any class, including the Track Inspector and Assistant Track Inspector classes. An employee who is disqualified as a Track Inspector or Assistant Track Inspector as a result of disciplinary action shall not be permitted to re-qualify as a Track Inspector or Assistant Track Inspector for a period of one (1) year after such disciplinary disqualification..

- B. The limits on contractual discipline set forth in paragraph A above shall not apply to willful or wanton misconduct. The charge that an act of misconduct is willful or wanton may only be made by the Vice President of Engineering after consultation with the designated BMWED Vice President.
- VIII. At the request of the General Chairmen to the office of Vice President - Engineering, CSX Transportation officers responsible for designing the Track Inspector training program shall meet, at least once each calendar year, with the General Chairmen or their designees to review and evaluate the Track Inspector training programs. BMWED's role shall be advisory only; CSXT shall retain authority to determine content and frequency of such training programs.
- IX. In order to provide for an orderly implementation of this Agreement, all current Track Inspector and Assistant Track Inspector positions will be abolished and re-bulletined during the month of January, 2011. The new job bulletins will identify the new terms and conditions that will apply pursuant to this Agreement. The abolishment of existing Track Inspector and Assistant Track Inspector positions and establishment of these new Track Inspector and Assistant Track Inspector positions will be coordinated so that existing assignments will end on January 30 and new assignments will begin on January 31, 2011.
- X. Track Inspectors and Assistant Track Inspectors work schedules will be either five (5) consecutive eight (8) hour work days with two (2) consecutive rest days, or four (4) consecutive ten (10) hour work days with three (3) consecutive rest days. Track Inspectors and Assistant Track Inspectors assigned to positions with Saturday or Sunday as regular workdays will be allowed a special allowance of \$1.00 per hour for all hours worked on either Saturday or Sunday. Track Inspectors and Assistant Track Inspectors will have either Saturday or Sunday as a designated rest day. Only inspection teams containing two (2) Track Inspectors assigned to inspect the same territory will be subject to assignment of Sunday as a regularly assigned workday. The parties agree that the Track Inspector and Assistant Track Inspector positions shall be fixed headquartered (non-mobile) basic forces.
- XI. During the period from April 15 to October 15 of each year Track Inspectors and Assistant Track Inspectors may have their starting time changed to between 6:00 a.m. and 11:00 a.m. The starting time will not be changed without giving the employee affected twenty-four (24) hours notice. Track Inspectors and Assistant Track Inspectors assigned to positions that start later than 8:00 a.m. will be allowed a special allowance of \$1.00 per hour for all hours worked.
- XII. The special allowances referred to in the preceding paragraphs will be cumulative if both allowances are applicable on the same workday. Furthermore, these allowances are subject to subsequent general wage and cost of living adjustments and overtime rates.
- XIII. This Agreement shall be considered a special agreement as to the terms and conditions addressed herein and shall amend the June 1, 1999 Agreement as to those terms and conditions. CSX Transportation Labor Agreement No. 12-069-00, dated October 31, 2000 is hereby eliminated and all terms and conditions not specifically addressed herein shall

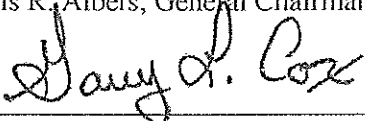
continue to be controlled by the June 1, 1999 Agreement. This Agreement will remain in effect until modified in accordance with the Railway Labor Act, as amended.

Executed this 19th day of November 2010.

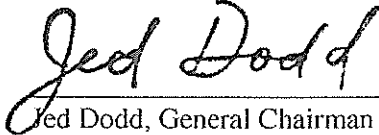
FOR THE ORGANIZATION:



Dennis R. Albers, General Chairman



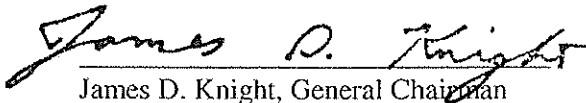
Gary Cox, General Chairman



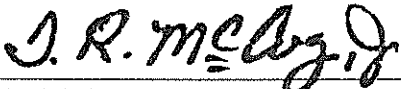
Jed Dodd, General Chairman



Stuart A. Hurlburt, Jr. General Chairman



James D. Knight, General Chairman



T. R. McCoy, Jr. General Chairman



Bradley A. Winter, General Chairman

AGREED:

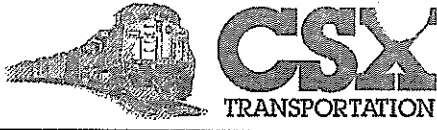


J. P. Cook, Vice President

FOR THE CARRIER:



N. V. Nihoul,
Director Employee Relations



Engineering Dept. (J350)
500 Water Street
Jacksonville, FL 32202
(904) 359-1367

Ken Downard
Chief Engineer – Maintenance of Way
Engineering Department

May 11, 2009

To: All Track Inspectors and Roadmasters

cc: CE MW Staff, Division Engineers, Engineers of Track,

From: Ken Downard - Chief Engineer MW

Subject: **Track Inspection**

Track Inspection is the most responsible activity that we undertake in the Maintenance of Way Department and the Track Inspector's primary responsibility to CSXT and to the general public is the safe passage of trains over the track structure.

The Track Inspector's first priority is the complete and thorough inspection of his assigned territory, at a minimum at FRA prescribed frequencies in a manner that will detect deviation from the standards. The Track Inspectors' work assignment is described in detail in the ITIS computer system. Inspectors must report daily to the Roadmaster any deviation found from standard and any situation or condition that may prevent completion of their scheduled inspection assignment. Track Inspectors experiencing recurring trouble obtaining sufficient track time are to contact the Asst. Chief Engineer of Inspection Processes 8-322-1286 or Bell (904) 359-1286 for assistance.

CSXT's Transportation Department is dependent on Track Inspectors to inspect the track structure for compliance with Federal Railroad Administration (FRA) Track Safety Standards. Track Inspectors need sufficient track time authority to ensure the safety of train operations. It must be emphasized that when conditions are found that make the track unsafe for the movement of trains at authorized speed or when deviations are found that are greater than those permitted by FRA Safety Standards: **The Track Inspector has the authority to place speed restrictions or take other necessary remedial actions.** This may include removing the track from service or making repairs. It is at the discretion of the inspector to determine that the magnitude of the repairs will not compromise the quality or completion of the scheduled inspection assignment.

The Track Inspector can make repairs, but it must be emphasized that track inspection is the first priority.

I understand and acknowledge these instructions.

Track Inspector ----- Date

Roadmaster ----- Date