CSX TRANSPORTATION

AGREEMENT

Between

CSX TRANSPORTATION, INC.

and its

Employees represented by the

BROTHERHOOD RAILWAY CARMEN

(including Employees represented by
Transport Workers Union)

Effective February 1, 2004

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SCOPE OF AGREEMENT

It is understood that this Agreement shall apply to those who perform the work specified in this Agreement in the Maintenance of Equipment, Maintenance of Way and all other Departments of this Company wherein work covered by this Agreement is performed.

RULE 1 - HOURS OF SERVICE

An eight (8) hour period shall, under provisions hereinafter set out, be the regular work day. Regular work day and work week hours shall be bulletined. All employees coming under the provisions of this Agreement, except as otherwise provided in this schedule of rules, or as may hereafter be legally established between the carrier and the employees, shall be paid on the hourly basis.

ESTABLISHMENT OF SHORTER WORK WEEK:

NOTE: *The expressions "positions" and "work" refer to service, duties, or operations necessary to be performed on the specified number of days per week, and not to the work week of individual employees.*

(a) **GENERAL** - This Carrier will establish, for all employees represented by the organization signatory hereto, subject to the exceptions contained in this rule, 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 the 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 provisions which follow:

(b) **FIVE-DAY POSITIONS** - Where the nature of the work is such that employees will be needed five days each week, the rest days 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 are 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** - 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 combination thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under individual agreements.

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 times, duties and work locations of the employee or employees whom they are relieving.

(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) of this rule, and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, if the parties fail to agree thereon, and 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 paragraphs (c), (d) and (e), the following procedures shall be used:

(1) All possible regular relief positions shall be established pursuant to paragraph (e) of this rule.

(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 men maybe 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 nonconsecutive 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 agreements, 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 a week.

(h) **REST DAYS OF FURLOUGHED EMPLOYEES** - To the extent furloughed men may be utilized under applicable agreements or practices, their days off need not be consecutive; 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) **OVERTIME PROVISIONS** - Provisions in existing rules which relate to the payment of daily overtime shall remain unchanged. Work in excess of 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 a furloughed list, or where days off are being accumulated under paragraph (g) of this Rule 1.

Employees worked more than five days in a work week shall be paid one and one-halftimes the basic straight time rate for work on the sixth and seventh days of their work week, except where such work is performed by an employee due to moving from one assignment to another or to or from the furloughed list, or where days off are being accumulated under paragraph (g) of this Rule 1.

There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight paid for at overtime rates on holidays or for changing shifts, be utilized in computing the 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.

(1) **PAYMENT FOR SERVICE ON REST DAYS**

(a) Service rendered by an employee on his assigned rest day or days will be paid for under the call rule when such service is not a part of any assignment.

(b) In all cases other than those specified in paragraph (a) service rendered by an employee on his assigned rest day or days will be paid for at the overtime rate with a minimum of eight (8) hours unless released at his own request. Where vacancies are not

known sufficiently in advance to permit employees to report at the beginning of the shift they will be allowed to complete the balance of the day at the overtime rate but not less than is provided under the call rule. Employees will be notified as soon as possible of such vacancies.

RULE 2 - ASSIGNMENT OF SHIFTS

(a) When one shift is employed, the starting time shall be 7:00 a.m. local time, or as may be agreed upon at any shop by the Company and the Employees. The time and length of the lunch period shall be arranged by mutual agreement.

!

(b) Where two shifts are employed, the starting time of the first shift shall be governed by item (a) of this rule, and the second shift shall start immediately following the close of the first shift or as may be agreed upon at any shop by the Company and the Employees. The time and length of the lunch period shall be arranged by mutual agreement.

(c) Where three shifts are employed, the starting time of the first shift shall be governed by item (a) of this rule, and the starting time of each of the other shifts shall be regulated accordingly. Each shift shall consist of eight consecutive hours including an allowance of twenty minutes for lunch within the limits of the fifth hour.

The time established for commencing and quitting work for all men on each shift in either the Car or Locomotive Department shall be the same at the respective points but where three shifts are worked by running repair forces and two shifts by back shop forces, the quitting time of the first shift and the commencing and quitting time of the back shop forces will be governed by the provisions of item (b) of this rule.

Exception*: Three eight-hour shifts may be established under the provisions of item (c) of this rule for the employees necessary to the continuous operation of power houses, mill wright gangs, heat treating plants, train yards, running repair and inspection forces, without extending the provisions of item (c) of this rule to the balance of shop forces.*

RULE 3 - LUNCH PERIOD

Employees required to work during, or any part of, the lunch period shall receive pay for the length of the lunch period regularly taken at point employed at straight time and will be allowed necessary time to procure lunch (not to exceed thirty (30) minutes) without loss of time.

This does not apply where employees are allowed the twenty (20) minutes for lunch without deduction therefor.

RULE 4 - OVERTIME - PAYMENT AND DISTRIBUTION

PAYMENT OF OVERTIME

(a) All overtime continuous with regular bulletined hours will be paid for at the rate of time and one-half until relieved, except as may be provided in rules hereinafter set out.

(b) Work performed on the legal holidays as listed in Rule 6 (provided when any of the above holidays falls on Sunday, the day observed by the state, nation or proclamation shall be considered the holiday), shall be paid for at the rate of time and one-half. Employees regularly assigned to work on holidays, or those called to take the place of such employees, will be allowed to complete the balance of the day unless released at their own request. Those who are called will be advised as soon as possible after vacancies become known.

(c) The following will govern with respect to paying third shift employees for holiday service:

(1) Pay third shift which begins at the close of the second shift, the day preceding a holiday, pro rata time for time worked;

(2) Pay third shift which begins at close of second shift, holidays, rate and one-half for time worked.

(d) Except as otherwise provided for in this rule, all time worked beyond 16 hours service (the 16 hours service to be computed within any 24-hour period from the regular starting time of the shift) shall be paid for at double time until relieved, provided that an employee who is relieved after working beyond 16 hours, but elects to continue to work his regular shift, or the remainder of his regular shift, shall be paid at the regular rate applicable to his regular shift for any part of his shift worked after relieved.

(e) Service performed by a regularly assigned hourly rated employee on the second rest day of his assignment shall be paid at double the basic straight time rate provided he has worked all the hours of his assignment in that work week and has worked on the first rest day of his work week, except that emergency work paid for under the call rules will not be counted as qualifying service under this rule, nor will it be paid for under the provisions hereof (Article V, 4/24/70 National Agreement).

(f) After such an employee completes an assignment for which so called or notified and is relieved for 5 hours or more, if again called to fill another shift on his rest days (or holiday), double time will not apply until the expiration of 16 hours from the starting time of that shift.

(g) For one so notified or called, and relieved at the starting time of or during his regular shift on the day following his rest days or a holiday, straight time will apply for the remainder of his shift, if worked, and all overtime thereafter will be computed from the starting time of his shift in accordance with the understandings and past practice under this rule.

(h) For employees called in emergency (not to work a shift in place of an absentee or to augment the force) on their rest days or on holidays, the double time provisions of the rule will be applied from the starting time on the day so called of the shift to which regularly assigned. For example: One assigned to the first shift, whose rest days are Wednesday and Thursday, called 2 hours after working his shift on Tuesday, or at 5:00 PM, and worked 16 hours, would be paid 8 hours double time computed from the starting time of his Tuesday shift; but if called at the same time on Wednesday, and worked 16 hours, he would be paid rate and one-half for the 16 hours, as he did not work beyond 16 hours computed from the starting time on Wednesday of the first shift.

DISTRIBUTION OF OVERTIME

(a) Employees who have worked overtime will not be laid off during their regular working hours to equalize the time.

(b) Record will be kept of overtime worked and men called with the purpose in view of distributing the overtime equally.

(c) There will be an overtime call list established for the respective crafts or classes at the various shops or in the various departments or subdepartments, as may be agreed upon locally to meet service requirements, preferably by employees who volunteer for overtime service. Overtime call list will be kept under lock and key available to view of employees and made available to employees when necessary.

(d) There will be, as near as possible, an equal distribution of overtime between employees who voluntarily request to be placed on the overtime call lists.

(e) It is intended that only those employees who are qualified will request that their name be placed on the overtime call list, but it is expected that a sufficient number of qualified employees will volunteer to properly take care of the work.

(t) Should there not be sufficient number of employees volunteer to properly take care of the work, any employee who may be called must respond at the time called, unless there is some good and sufficient reason why the employee cannot respond. It is understood that senior employees will not be forced to protect overtime work when there are junior qualified employees available.

(g) Any employee who cannot be contacted or one refusing call will be charged the same number of hours as the employee who responded or with a minimum of four hours.

(h) The local committee of each organization and representatives of the Carrier will cooperate in determining the employees to be called from the overtime list.

Understanding: An employee filling a foreman or supervisory vacancy must return to work as a Carman and work one shift before being eligible for calls from the Carman's overtime list.

RULE 5 - OVERTIME - CALLS AND CONTINUOUS SERVICE

(a) For continuous service after regular working hours, employees will be paid time and one-half on the actual minute basis with a minimum of one (1) hour for each such service performed.

(b) Employees shall not be required to work more than two hours without being permitted to go to meals. Time taken for meals will not terminate the continuous service period and will be paid for up to thirty (30) minutes.

(c) Employees called or required to report for work, and reporting but not used, will be paid a minimum of four (4) hours at straight time rates

(d) Employees called or required to report to work and reporting will be allowed a minimum of four (4) hours for two (2) hours and forty (40) minutes or less, and will be required to do only such work as called for or other emergency work which may have developed after they were called, and cannot be performed by the regular force in time to avoid delays to train movement.

(e) Employees will be allowed time and one-half on the minute basis for services performed continuously in advance of the regular working period with a minimum of one (1) hour, the advance period to be not more than one (1) hour.

(f) Back shop forces, when required to work eight (8) hours on their rest days, will be allowed up to twenty (20) minutes for lunch period without deduction therefore.

RULE 6 - HOLIDAYS **(Article II, August 21, 1954 Agreement, as amended)**

(a) Subject to the qualifying requirements contained in Section (b) hereof, and to the conditions hereinafter provided, each regularly assigned hourly and daily rated employee shall receive eight hours' pay at the pro rata hourly rate for each of the following enumerated holidays:

EMPLOYEES IN THE UNITED STATES

New Year's Day
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve

EMPLOYEES IN CANADA

New Year's Day
Good Friday
Victoria Day
Dominion Day
Civic Holiday
Labour Day
Thanksgiving Day
Friday after Thanksgiving
Christmas Eve Day
Christmas Day
New Year's Eve

(1) Holiday pay for regularly assigned employees shall be at the pro rata rate of the position to which assigned.

(2) For other than regularly assigned employees, if the holiday falls on a day on which he would otherwise be assigned to work, he shall, if consistent with the requirements of the service, be given the day off and receive eight hours' pay at the pro rata rate of the position which he otherwise would have worked. If the holiday falls on a day other than a day on which he otherwise would have worked, he shall receive eight hours' pay at the pro rata hourly rate of the position on which compensation last accrued to him prior to the holiday.

(3) Subject to the applicable qualifying requirements in Section (b) hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in paragraph (2) above, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) he has had a seniority date for at least 60 calendar days or has 60 calendar 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 a union shop agreement, or disapproval of application for employment.

(b) A regularly assigned employee shall qualify for the holiday pay provided in Section (1) hereof if compensation paid him by the carrier is credited to the workdays immediately preceding and following such holiday or if the employee is not assigned to work but is available for service on such days. If the holiday falls on the last day of a regularly assigned employee's workweek, the first workday following his rest days shall be considered the workday immediately following. 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.

Except as provided in the following paragraph, all others for whom holiday pay is provided in Section (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 carrier is credited; or
(ii) Such employee is available for service.

NOTE*: "Available" as used in subsection (ii) above is interpreted by the parties 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.*

For the purposes of Section (a), other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the work day preceding and the workday following the holiday, will have the workweek of the incumbent of the assigned position and will be subject to the same qualifying requirements respecting service and availability on the workdays preceding and following the holiday as apply to the employee whom he is relieving.

NOTE: *Compensation paid under sick-leave rules or practices will not be considered as compensation for purposes of this rule.*

(c) The parties to this agreement may, by mutual agreement, change the days (but not the number of days) that shall be observed as holidays, for the purposes of existing rules and agreements.

(d) When any of the eleven recognized holidays enumerated in Section (a) above, or any day which by agreement, or by law or proclamation of the State or Nation, has been substituted or is observed in place of any of such holidays, falls during an hourly or daily rated employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for therein, 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.

(e) The work day or day immediately preceding or following a personal leave day or day on which the employee receives jury duty pay or bereavement leave is to be considered as the qualifying day for holiday purposes.

(f) Existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are not changed hereby, except that under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half payment for service performed by him on a holiday.

(g) The holiday pay qualifications for Christmas Eve - Christmas shall also be applicable to the Thanksgiving Day - day after Thanksgiving Day and the New Year's Eve - New Year's Day holidays.

(1) This means that an employee who meets all other qualifying requirements will qualify for holiday pay for both holidays if on the "workday" or the "day", as the case may be, immediately preceding the first holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or "day," as the case may be, immediately following the second holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

(2) An employee who does not qualify for holiday pay for both consecutive holidays may qualify for holiday pay for either one or the other under the provisions applicable to holidays generally.

(h) In addition to their established monthly compensation, employees performing service on the day after Thanksgiving Day on a monthly rated position (the rate of which is predicated on an all-service performed basis) shall receive eight hours' pay at the equivalent straight time rate.

(i) A monthly rated employee occupying a 5-day assignment on a position with Friday as an assigned rest day also shall receive eight hours' pay at the equivalent straight time rate for the day after Thanksgiving Day, provided compensation paid such employee by the Carrier is credited to the work days immediately preceding Thanksgiving Day and immediately following the day after Thanksgiving Day.

(j) Except as specifically provided in paragraph (g) above, existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are extended to apply to the day after Thanksgiving Day and New Year's Eve (the day before New Year's Day is observed) in the same manner as to other holidays.

RULE 7 - OVERTIME CHANGING SHIFTS

(a) Except as provided in paragraph (b) of this rule, employees changed from one shift to another will be paid overtime rates for the first shift of each change. Employees working two shifts or more on a new shift shall be considered transferred. This will not apply when shifts are exchanged at the request of the employees involved.

(b) An employee holding a relief assignment will not be paid overtime rates for changing shifts to perform the work on the shifts included in his assignment. If such employee is required to change shifts for any other reason, this exception shall not apply to such other shift changes.

(Interpretation of Rule 7)

This rule provides that an employee changing shifts due to exercising his seniority rights, or at the request of the employee, will be paid at his regular rate when changing shifts, instead of being allowed time and one-half time for the first shift of such change.

An employee transferred from one shift to another by direction of the Management will be paid time and one-half rate for time worked on the new shift the first day of the change. If he works the new shift two or more days he is considered transferred and will be paid straight time for the straight time hours after the first day. If returned to his old shift or any other shift, he will then be entitled to time and one-half rate for the first day of such change.

An employee changing shifts through the exercise of his seniority rights, caused by reduction in force, will be allowed time and one-half for the first shift of the change where he loses a day's pay thereby. For illustration, an employee on third shift working 11 :00 PM to 7:00 AM is caught in a furlough and his seniority entitled him to job on first shift, 7:00 AM to 3:00 PM If he goes to work the same day, working 16 consecutive hours, he will receive straight time rate for work on that shift, but if he does not go to work until 7:00 AM the following day, thereby losing one day's pay, he will receive time and one-half for the first day's work on the changed shift.

RULE 8 - ROAD SERVICE

(a) Employees regularly assigned to road work whose tour of duty is regular and who leave and return to home station daily shall be paid continuous time from the date of leaving the home station to the time they return whether working, waiting or traveling, exclusive of the meal period, as follows: Straight time for work performed during regular hours and overtime rates for work performed during overtime hours, with straight time for all hours traveling and waiting. The starting time to be not earlier than 6:00 AM nor later than 8:00 AM. Where two or more shifts are worked, the starting time will be regulated accordingly.

EXCEPTION: Where the scheduled trains interfere with the starting time, an agreement may be entered into by Carrier's highest designated officer and the General Chairman.

(b) Where meals or lodging are not furnished by the railroad or when the service requirements make the purchase of meals and/or lodging necessary while away from home point, employees will be paid necessary expenses.

RULE 9 - EMERGENCY SERVICE - ROAD

(a) An employee regularly assigned at a shop, engine house, repair track, or inspection point, when called for emergency road service away from such shop, engine house, repair track or inspection point, will be paid from the time called to leave home station, until his return for all service rendered in accordance with the practice at home station, and will be paid straight time rate for straight time hours and overtime rates for overtime hours for all time waiting or traveling.

(b) If during the time on the road, a man is relieved from duty and permitted to go to bed for five (5) or more hours, such relief will not be paid for; provided that in no case shall he be paid for a total of less than eight (8) hours each calendar day, when such irregular service prevents the employee from making his regular daily hours at home station. Where meals and lodging are not provided by railroad, actual necessary expenses will be allowed. When an employee is required to go to shops for tools or material before leaving home station, he will be paid for the time necessary to cover such service.

(c) Wrecking service employees will be paid in accordance with this rule.

RULE 10 - FILLING VACANCIES

(a) When an employee is required to fill the place of another employee receiving a higher rate of pay, he shall receive the higher rate; but if required to fill temporarily the place of another employee receiving a lower rate, his rate will not be changed.

Understanding

It is agreed that any regularly assigned employee who is used to fill a vacation vacancy on another position and works such position for 5 consecutive days will be required to observe the rest days on the position on which used before he may return and resume service on his regular assignment or be permitted to work another vacancy; it being understood that employees may not request to move to a vacation vacancy after the vacancy commences. The same is to apply to all resultant vacancies brought about by the vacation vacancy.

RULE 11 - PROMOTION TO FOREMAN

PROMOTION TO FOREMAN

(a) When selecting foremen, employees will be given consideration for promotion, and if selection is made from employees, proficiency and seniority will govern, the Company to be the judge of proficiency. It is the policy of the Company to promote its own men, and only when competent employees cannot be found in the ranks or when competent employees will not accept vacancies or new positions will it be the disposition of the Company to vary from this policy.

(b) Employees promoted to official or semi-official positions shall retain their seniority at the point they hold seniority at the time of their promotion, and should they continue to accumulate seniority, it will be applicable to that point, irrespective of any change in location during their tenure as officials.

(c) Seniority Retention (*Article VIII November 19, 1986 National Agreement*)

(1) Effective November 19, 1986, all employees promoted subsequent thereto to official, supervisory, or excepted positions 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.

(2) Employees promoted prior to November 19, 1986 to official, supervisory or excepted positions shall retain their current seniority but shall be required to pay regular monthly dues or an appropriate monthly fee, not to exceed monthly union dues, in order to accumulate additional seniority.

(d) Employees accepting promotion to contract supervisory positions will lose their right to the job they left, and upon return to work of the trade, will be governed by the following:

Involuntary return:

(1) If a supervisor's position is abolished and the incumbent of the abolished position is unable to hold a position as supervisor on the roster on which he holds supervisors' seniority, or if a supervisor whose position is abolished elects to forfeit seniority as supervisor, the following will apply:

a. The supervisor must exercise seniority to a Carman Craft position within ten (10) days from the date the supervisor last works as a supervisor.

b. The supervisor who is exercising seniority to a Carman Craft position must, within the ten (10) day period referred to in Section (a) above, give notice of his intention to exercise seniority to a Carman Craft position in time to permit giving the Carman Craft employee who stands to be affected five (5) working days' notice that he will be reduced to furlough status as a result of the returning supervisor exercising seniority.

Voluntary return:

Promoted employees who voluntarily return to their former Carman Craft Classification will only be permitted to take whatever open position may be available to which their seniority entitles them; or, if no opening exists, may displace the junior employee of their class.

NOTE: Returning non-contract officials will be governed by Rule 14(b)(5).

FILLING TEMPORARY FOREMAN VACANCIES

(a) Should an employee be assigned temporarily to fill the place of a foreman, he will be paid his own rate - straight-time rate for straight time hours and overtime rate for overtime hours - if greater than the foreman's rate; if it is not, he will get the foreman's rate. Said positions shall be filled only by mechanics of the respective craft in their departments.

(b) Employees who are assigned to fill the places of foremen will work the same number of hours as the foremen work, or may ordinarily be called upon to work, and it is understood that the employees' basic day will start at the hour of the foremen's starting time, and it is further understood that any time worked after the close of the first eight hours, plus the meal period, if any, after the foremen's starting time will be paid for under the overtime rule.

(c) An employee assigned temporarily to fill the place of a foreman will take the regularly assigned relief days of the foreman whose place he is assigned to fill. For one so assigned and paid his own rate under this rule and understandings, overtime rates will apply on the foreman's regular relief days, if worked. For one so assigned and paid the foreman's rate, time worked on the foreman's regular relief days will be compensated for under the applicable Supervisors' Agreement.

RULE 12 - TRANSFER RULE

Employees transferred from one point to another with a view of accepting a permanent transfer, will, after thirty (30) days, lose their seniority at the point they left, and their seniority at a point to which transferred will begin on date of transfer, seniority to govern. Employees will not be compelled to accept a permanent transfer to another point.

(a) An employee desiring to transfer to another point under this rule will secure transfer form (as shown on page 16) which constitutes part of this rule from his supervisor and handle as indicated on the form.

(b) No employee will be transferred under this rule unless his services can be spared. If such an employee cannot be spared, he shall be so advised, with copy to the General Chairman of the craft; but he shall be given opportunity to transfer when he can be spared, if and when there is a vacancy at the point to which he wishes to transfer.

(c) One making application for transfer to another point under this rule thereby agrees that if, after reporting, but within the 30 day limit provided in this rule, he finds he does not desire to remain at the point to which transferring, but wishes to return to his home point, he must remain at the point until qualified employee can be secured to relieve him, and must, within the 30 days provided in this rule, give notice in writing to the one in charge at the point to which transferring, with copy to the officer in charge at his home point, and copy to the General Chairman of the craft, of his desire to return to his home point. He will establish and hold no seniority at the point to which transferring, but will continue to hold his seniority at his home point, even though he remains at point to which he applied for transfer under this rule more than 30 days.

(d) Applications received from employees desiring to transfer to another point under this rule and those received from furloughed employees seeking placement under Rule 13 of this Agreement will be given equal consideration, and, subject to Section (b) above of this Agreement, the qualified applicant having the greatest home point seniority shall be given preference for the vacancy or new job involved.

(e) The employee must accept any requested position offered after being notified or forfeit all rights to any position applied for and must file a new form to be further considered for work at other points.

(f) All requests for transfer automatically expire at the close of business on December 31 each year. Employees whose requests have expired must file a new request to be further considered for transfer.

(g) All forms not properly completed will be returned to the employee if possible.

RULE 13 - USE OF FURLOUGHED EMPLOYEES. OTHER POINTS

While employees are furloughed, if men are needed at any other point, they will be given preference to transfer, with privilege of returning to home station when force is increased, such transfer to be made without expense to the Company. Qualifications and seniority to govern all cases.

(a) Furloughed employees desiring to be considered for vacancies or new positions at seniority points other than the one at which they hold seniority, will obtain form as shown below, which has been made a part ofthis rule, from their supervisor, complete, and forward to the address shown on the form, and will furnish copy to their General Chairman and to their Supervisor. Employees will be notified of vacancies or new positions at the point or points for which application has been made to which their seniority entitles them and for which they are qualified. The employee must accept any requested position offered after being notified or forfeit all rights to any position applied for and must file a new form to be further considered for work at other points.

(b) Employees accepting a job under this Understanding agree that if they should desire for any reason to give up such job, they will remain on the job to which assigned until the next senior employee can be located and reports, or until other relief can be provided.

(c) It is understood that this procedure fully meets the requirements with respect to giving furloughed employees preference for employment at other than their home point. Should it develop that, through error or oversight on either side, an improper assignment has been made, such improper assignment may be handled for correction in accordance with the rules for handling grievances, but it is agreed that no claim for pay for services not rendered will be made or entertained as result of such error.

(d) Employees working at a point, who are recalled at another point at which they hold rights to work or who are recalled at their home point where they hold seniority must elect at which point they prefer to work. If one so recalled elects to remain at the point at which working, their name will be removed from the list, or roster, at the point to which recalled, and will lose the right to work at that point; on the other hand, if the employee elects to accept the call, and gives up the job then being worked, the employee's name will be dropped from the roster at the point left and will relinquish all rights to work there.

(e) Applications received from furloughed employees seeking placement under this rule and those received from employees desiring to transfer to another point under Rule 12 of this Agreement will be given equal consideration, and the applicant having the greatest home point seniority will be given preference for the vacancy or new job involved.

(f) All requests for transfer automatically expire at the close of business on December 31 of each year. Employees whose requests have expired must file a new request to be further considered for transfer.

(g) All forms not properly completed will be returned to the employee if possible.

FORM - Standard Form for Transfer

To: Labor Relations Dept. (J-455) Date:
CSX Transportation
500 Water Street
Jacksonville, FL 32202
FAX - (904) 359-7581

I am presently (check one): _____ active _____ furloughed

As (Craft) _____ at (location) _____

I desire to be considered for employment at the following point(s) ("System" requests are not acceptable):

_____ _____

_____ _____

I presently hold seniority as (Craft) _____ at (location) _____

(Seniority Date) _____

Note 1 - This form is not applicable between departments or between crafts or classes.

Note 2 - I understand that failure to accept any requested position offered me after being notified will void this request and all rights to any position at any location applied for herein are forfeited. To be given further consideration for other positions at any location, a new request must be filed.

Note 3 - I also understand that if I file this request as a furloughed employee and I am subsequently recalled to a regular assignment, I must file a new request form if I desire to be given consideration for transfer to a permanent assignment at a seniority point other than where I am working.

Note 4 - I further understand that I am required to keep my employing officer advised of any changes in my address and telephone number.

Note 5 - This request automatically expires on December 31 of the current year.

Note 6 - Forms improperly completed will be returned to employee if possible.

Print or Type

Name _____ I. D. No. _____

Home Address _____Phone No. (__) _____

Employee Signature_____

Copy to: _____ _____

(Employing Officer) (General Chairman)

RULE 14 - ABSENCE FROM WORK

(a) Absence from work

(1) In case an employee is unavoidably kept from work he will not be discriminated against. An employee detained from work on account of sickness or for any other good cause shall notify his foreman as early as possible either by telephone, messenger, or United States mail. Employees absenting themselves for fifteen (15) days without notifying Management shall be considered as out of service and dropped from seniority roster.

Employees Absent Without Previous Arrangements.

Any employee who is absent from work for any cause and has not arranged for a definite time to resume duty, will not be permitted to go to work except on approval of ranking officer, unless he gives his foreman notice of this intention to report for duty at least one hour before the expiration of the regular quitting time of the shift on which he is employed, on the day previous to the day on which he intends to report for work.

When unable to comply with the above provisions, the employee must give a reasonable excuse for his inability to do so, to the ranking officer, before being allowed to return to work.

(b) Leave of Absence

(1) The arbitrary refusal of a reasonable amount of leave to employees when they can be spared, or failure to handle promptly cases of sickness or business matters of serious importance to the employees is an improper practice and may be handled as unjust treatment under these rules.

(2) An employee absent on leave, who engages in other employment, will lose his seniority unless special provision has been made therefor by the proper official and general chairman representing his craft. An employee absent on leave, whose place is filled by another employee, must give his foreman notice sufficiently in advance of the time that he will report for work to enable the foreman to transfer the one filling his place to his regular shift.

(3) Leave of absence other than for sickness in excess of 30 days shall be in writing, and copy will be furnished local committeeman of the craft.

(4) Notice sufficiently in advance of the time an absent employee on leave will report for work must be given the foreman to enable him to transfer the one filling the absent employee's place to his regular shift before returning to work.

(5) Employees elected or appointed as full-time officers or representatives of the Brotherhood Railway Carmen or promoted to official positions with the Company, or securing positions with any agency, board, or commission established pursuant to Federal or state statutes, dealing with railroads, or with agencies established by railroads on a regional or national basis shall be considered on leave of absence while so engaged with the right to assert their seniority within 30 days after release from such employment.

RULE 15 - RETURNING FROM ABSENCE

(a) An employee returning from written leave of absence, absence due to illness or injury, or vacation may –

(1) return to the last regularly assigned position held provided it has not been abolished, or senior employee has not exercised displacement rights thereon; or

(2) exercise seniority rights on any position bulletined during such absence, it being understood that an employee working any part of the bulletin period will not be eligible to exercise seniority under this section; or

(3) exercise seniority rights over junior employees provided his last regularly assigned position has been abolished or is occupied by a senior employee as a result of exercising displacement rights thereon.

The employee will exercise his choice (as prescribed in 1,2, or 3) within twenty-four (24) hours after return to work from such absence.

(b) Employees displaced by employees returning from absences covered by the Rule and employees subsequently displaced will, without expense to the Carrier, exercise their seniority pursuant to Rule 28.

(c) This Rule will not apply to employees returning to position covered by this Agreement under Rule 11.

RULE 16 - PHYSICAL EXAMINATIONS

(a) An employee absent because of illness or off-duty injury will, when ready to return to work, notify his supervisor as soon as reasonably possible before the day he desires to return. If such absence is in excess of five (5) days, the employee may be required by the Company to furnish a report from his personal physician as to his physical ability to safely perform his normal duties. If such report is required, it will include a brief history of the illness or injury, diagnosis, duration of care, treatment and prognosis. The Company will furnish to the employee the necessary forms for use by the employee's physicians in making the required report.

(b) If physical examination is deemed necessary by the Company, it will be promptly arranged for by the Company at Company expense and a determination made within a reasonable period as to whether or not the employee is physically able to resume duty.

NOTE: *The term "within a reasonable period" will not be used to delay examination of an employee's decision as to his physical fitness to return to work. It contemplates a reasonably prompt examination and decision on the employee's physical fitness to return to work, but each case shall be determined on its own merits. If the employee or the duly authorized representative feels there has been unreasonable delay, the case may be progressed as a grievance or claim under provisions of the applicable working agreement.*

(c) If, under the terms of this agreement, an employee is required by the Company to travel from their point of employment for physical examination, the following shall be applicable:

(1) An employee required to travel in excess of a radius of thirty (30) miles from his point of employment will be reimbursed for any necessary travel expenses.

(2) Where meals and lodging are not provided by the Company, actual necessary expenses will be allowed.

(d) A physically disqualified employee will be notified by the Company doctor in writing of the specific disqualifying conditions. When an employee protests his removal from service because of physical disqualification by the Company, the case will be handled as follows:

(1) The employee or his representative will file direct with Carrier's Highest Designated Officer such written protest of the disqualification. There must accompany the written protest a copy of the medical findings of the employee's personal physician who has been responsible for his primary care during the disability in question, such findings to include a brief history of the illness or injury, diagnosis, duration of care, treatment, prognosis and a statement of opinion by the employee's doctor. The employee's doctor and the Company doctor shall exchange medical data available to each of them and shall communicate or confer to determine if the difference can be resolved by them. If the two doctors are unable to resolve the case, they shall mutually agree upon a third or neutral doctor for disposition, who shall be a specialist in the disability for which the employee was physically disqualified.

(2) The neutral doctor shall have the benefit of the findings of the employee's doctor and the Company's doctor, and each of them may make such representation to the neutral as is felt pertinent to his examination and opinion. The Company's doctor shall provide the neutral with a statement defining normal duties, the representative may file with the neutral doctor a statement of any exceptions, with supporting evidence and will furnish copies to the Company's doctor and Carrier's Highest Designated Officer. The neutral doctor will examine the employee and render report of findings as promptly as reasonably practical within thirty (30) days after his selection, if possible. The neutral's findings, which shall be final and binding, except as provided in paragraph (d)(4), will set forth the physical condition of the employee and give opinion as to whether the employee is physically capable of safely performing the employee's normal duties.

(3) If the neutral doctor decides that the employee is fit to continue in service and safely perform the employee's normal duties, such neutral doctor shall also render a further opinion, as to whether such fitness existed at the time the employee was withheld from service. If the neutral doctor concludes that the employee possessed such fitness when withheld from service, the employee will be compensated for actual loss of normal earnings during the period withheld for each working day withheld from assignment and will not be deprived of any other contractual benefit to which he may be eligible.

(4) If the decision is adverse to the employee and does not involve permanent type disability, but the employee's personal physician who has been responsible for his primary care during the disability in question later contends (limited to once within the three (3) year period commencing with date of disqualification by the neutral doctor) that the disqualifying condition has improved to the degree the employee can safely perform his normal duties and submits written evidence to support such contentions thereof (as described in paragraph (1)), the provisions of item (d)(l) and (2) may again be invoked by the employee's representative. Item (d)(3) will not be applicable. Consideration will be given request for further examination by a Company doctor provided good and sufficient reasons therefor are presented in writing to Carrier's Highest Designated Officer. If such consideration is given, the Company doctor's decision will be final and binding.

(5) The Company and the employee will take care of the expenses of their respective doctors and the expenses of the neutral (including such hospital, laboratory or X-ray costs as may be necessarily incurred) shall be borne on a 50/50 basis by the employee and the Company.

(e) An employee with more than sixty (60) days of compensated service will not be caused to lose time if taken off his assignment by the Company during regular working hours to undergo physical examination.

(f) Nothing contained herein is to be applied or interpreted in any manner to restrict in anyway the Company's continued right to require physical examinations at any time it has sufficient reason to believe there has been a change in an employee's physical condition or that his ability to safely perform his normal duties is impaired.

RULE 17 – COMMITTEES

The Company will not discriminate against any employees who from time to time represent other employees and will grant them leave of absence when delegated to represent other employees.

RULE 18 - FAITHFUL SERVICE

Employees who have given long and faithful service in the employ of the Company, and who have become unable to perform arduous work, will, seniority being sufficient, be given preference of such light work in their line (or other duties mutually agreed to with local committee) as they are able to handle. They shall receive the rate of pay of the position to which they are assigned.

RULE 19 - ATTENDING COURT

When attending court as witnesses for the railroad, employees will receive pay for all time lost at home station, with a minimum of eight hours' time each workday, and eight hours at time and one-half for rest days and holidays, either at home station, away from home, or traveling. Time and one-half will be paid for traveling during overtime hours where employees are unable to secure sleeping car accommodations. Actual expenses will be allowed when away from home station, and necessary expenses will be allowed when at home. When necessary, the Company will furnish transportation and will be entitled to certificate for witness fees in all cases.

RULE 20 - JURY DUTY **(Article VI, December 6, 1978 National Agreement)**

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 allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations:

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

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

(c) No jury duty pay will be allowed for any day on which the employee is entitled to vacation or holiday pay.

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

(e) Except as provided in paragraph (f), an employee will not be required to work on his assignment on days on which jury duty:

(1) ends within four hours of the start of his assignment; or

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

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

RULE21-BEREAVEMENTLEAVE **Article V, December 6,1978 National Agreement)**

(a) Bereavement leave, not in excess of three calendar days, following the date of death, will be allowed in case of death of an employee's brother, sister, parent, child, spouse or spouse's parent. In such cases a minimum basic day's pay at the rate of the last service rendered will be allowed for the number of working days lost during bereavement leave. Employees involved will make provision for taking leave with their supervising officials in the usual manner. Any restrictions against blanking jobs or realigning forces will not be applicable when an employee is absent under this provision.

(b) Agreed upon Interpretations:

Q-I: How are the three calendar days to be determined?

A-I: An employee will have the following options in deciding when to take bereavement leave:

a) three consecutive calendar days, commencing with the day of death, when the death occurs prior to the time an employee is scheduled to report for duty;

b) three consecutive calendar days, ending the day of the funeral service; or

c) three consecutive calendar days, ending the day following the funeral service.

Q-2: Does the three (3) calendar days allowance pertain to each separate instance, or do the three (3) calendar days refer to a total of all instances?

A-2: Three days for each separate death; however, there is no pyramiding where a second death occurs within the three-day period covered by the first death.
Example: Employee has a work week of Monday to Friday - off days of Saturday and Sunday. His mother dies on Monday and his father dies on Tuesday. At a maximum, the employee would be eligible for bereavement on Tuesday, Wednesday, Thursday and Friday.

Q-3: An employee working from an extra board is granted bereavement leave on Wednesday, Thursday and Friday. Had he not taken bereavement leave he would have been available on the extra board, but would not have performed service on one of the days on which leave was taken. Is he eligible for two days or three days of bereavement pay?

A-3: A maximum of two days.

Q-4: Will a day on which a basic day's pay is allowed account bereavement leave serve as a qualifying day for holiday pay purposes?

A-4: No; however, the parties are in accord that bereavement leave non-availability should be considered the same as vacation non-availability and that the first work day preceding or following the employee's bereavement leave, as the case may be, should be considered as the qualifying day for holiday purposes.

Q-5: Would an employee be entitled to bereavement leave in connection with the death of a half-brother or half-sister, stepbrother or stepsister, stepparents or stepchildren?

A-5: Yes as to half-brother or half-sister, no as to stepbrother or stepsister, or stepparents or stepchildren. However, the Rule is applicable to a family relationship covered by the Rule through the legal adoption process.

RULE 22 - PERSONAL LEAVE DAYS **(Article X, December 11, 1981 National Agreement)**

Section 1

A maximum of two days of personal leave will be provided on the following basis:

Employees who have met the qualifying vacation requirements during eight calendar years under vacation rules in effect on January 1, 1982, shall be entitled to one day of personal leave in subsequent calendar years.

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

Section 2

(a) Personal leave days provided in Section 1 may be taken upon 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.

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

(c) The personal leave days provided in Section 1 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.

(d) When personal leave days are taken either immediately preceding or following a holiday, the work day (or day, in the case of an other than regularly assigned employee) immediately preceding or following the personal leave day is considered as the qualifying day for holiday purposes (Side Letter #9, National Agreement dated November 19, 1986).

The following examples are intended to demonstrate the intention of the parties concerning application of the qualifying requirements set forth in Sections 1 and 2 of this Rule *(Letter of Understanding, December 11, 1981 National Agreement):*

Example No. I

Employee" A" was hired during the calendar year 1974 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1975. He also rendered compensated service on the required number of days in the years 1976 through 1981, but not during the year 1975.

This employee would not be entitled to one day of personal leave in the year 1982 because of not having met the qualifying vacation requirements during eight calendar years prior to January 1, 1982.

Example No.2

Employee "B" also was hired during the calendar year 1974 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1975. He also rendered compensated service on the required number of days in each of the years 1975 through 1981.

This employee would be entitled to one day of personal leave in the year 1982 by virtue of having met the qualifying vacation requirement during eight calendar years prior to January 1, 1982.

Example No.3

Employee "C" was hired during the calendar year 1973 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1974. He also rendered compensated service on the required number of days in the years 1974 through 1980, but not during the year 1981.

This employee, despite the fact that he did not render compensated service on the required number of days in the year 1981, would be entitled to one day of personal leave in the year 1982 by virtue of having met the qualifying vacation requirements during eight calendar years prior to January 1, 1982.

RULE 23 - PAYING OFF

(a) Employees will be paid bi-weekly with paydays falling on alternate Fridays, except where State Laws provide a more desirable paying off condition. Employees will be afforded opportunity to secure their paycheck during their regular working hours if they desire.

(b) Should the regular Friday payday fall on a holiday, employees will be paid on the preceding Thursday.

(c) When there is a shortage of one day's pay or more, if requested, a voucher will be issued to cover the shortage, otherwise the shortage will be carried over to the next pay period. Shortages of five (5) days or more will be expressed mailed.

(d) Employees leaving the service of the Company will be given pay voucher as promptly as possible.

(e) It is understood that insofar as employees who are on bi-weekly pay days are concerned, there would be no objection to the delivery of paychecks after the banks close on Thursday if the checks were available and ready for distribution. Such delivery would be to employees on their own time and the delivery on Company time to employees on duty would not be made ahead of Friday. It was further understood that if there are occasions when the checks do not arrive in time to be available for delivery after bank closing on Thursday, there would be no complaints filed if the regular Friday pay dates were met. It was also understood that no exception was to be made for an employee whose rest days fell on either Thursday or Friday or who was going to be on vacation during the period in which the pay day fell.

(f) For employees sent out on the line of road to do work, expense accounts will be vouchered and handled monthly.

(g) Employees covered by this agreement may elect for pay by direct deposit into a bank or credit union account of their choice. The Carrier will provide the appropriate form for requesting direct deposit.

RULE 24-TRANSPORTATION

Employees laid off account of reduction of force, who have secured a position on the line of road, will, upon application, be furnished free transportation to the point at which they have secured employment.

RULE 25 - REDUCTION IN FORCES

(a) When it becomes necessary to reduce expenses, the force at any point, or in any department or sub-department thereof, shall be reduced, seniority to govern.

(b) Except as provided in Paragraph (f) of this Rule, five working days' notice will be given the men affected before reduction is made, and lists will be furnished the local committee.

(c) In the restoration of forces, senior laid off employees will be recalled:

(1) The employee will be sent a recall letter via CERTIFIED MAIL - RETURN RECEIPT REQUESTED to the last address on file with the Carrier, with copy to the local chairman advising that the employee is recalled to service and that he should report to a specified location at a designated time and date.

A copy of the recall letter is reproduced below.

(2) Should the employee fail to notify the recalling officer of his intentions or fail to return to service within fifteen (15) days from the date of the recall letter, his name will be removed from the seniority roster on which recalled and the employee notified accordingly by CERTIFIED MAIL RETURN RECEIPT REQUESTED.

(3) If an employee or the General Chairman subsequently contends that his name was' removed from the roster improperly, a hearing will be held, with the Organization notified in advance thereof, to develop the full facts and make determination as to the merits of the employee's contention.

(d) The local committee will be furnished a list of men to be restored to service.

(e) When positions are abolished and subsequently restored within thirty (30) calendar days, the last regular assigned incumbents must return to their former positions unless:

(1) They have been displaced thereon by a senior employee under Rule 28.

(2) There is a senior qualified furloughed man entitled to recall ahead of the former incumbent.

When an employee returns to a reestablished position under this paragraph, all employees disturbed account the abolishment must return to their former assignment in the same manner as herein provided.

(f) *Article VI of the August 21, 1954 National Agreement/Article II of the April 24, 1970 National Agreement.*

(1) Rules, agreements or practices, however established, that require advance notice to employees before temporarily abolishing positions or making temporary force reductions are hereby modified to eliminate any requirement for such notices under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (2) below, provided that such conditions result in suspension of a carrier's operations in whole or in part. It is understood and agreed that such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that 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 hours' pay at the applicable rate for his position.

(2) Rules, agreements or practices, however established, that require advance notice before positions are temporarily abolished or forces are temporarily reduced are hereby modified so as not to require advance notice where a suspension of a carrier's operations in whole or in part is due to a labor dispute between said carrier and any of its employees.

(g) Employees temporarily suspended to reduce the force will, under this rule, have the same rights as regards seniority as employees on leave of absence, except they may engage in any employment they may desire without making any special arrangements with either the Company's representatives or the men's representatives.

FORM - Standard Form to be Used When Reducing Forces

STANDARD FORM TO BE USEDWHEN REDUCING FORCES

_____
Location

_____
Date

TO ALL CONCERNED:

The following position(s) will be abolished. Employees whose positions are abolished will be governed by the provisions of Rule 25.

_____ _____
Title of Position Incumbent

Effective: _____ _____
Time Date

The following employee(s) stand to be furloughed as a result of this force reduction:

_____

_____

_____
Supervisor In Charge

FORM - Sample Recall Letter

(MAIL IN DUPLICATE)

****

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

_____
Location

_____
Date

Mr./Ms._____
_____
_____

Dear Mr./Ms._____:

You are hereby recalled for work as _____ , at _____
(position)- -- - (Location)
in accordance with the Rules of your Agreement. You are to arrange to report for service at _____, _____, _____.
(Time) (Day) (Date)

In accordance with your Rules Agreement, unless you return to work or furnish a satisfactory explanation of your absence within fifteen (15) days from the date of this letter,

your name will be removed from the seniority roster on which recalled.

If you desire your record to indicate that you resigned from the Railway Company rather than forfeited seniority for failure to return to service on recall, please sign in the space provided below and return a signed copy of this letter in the enclosed pre addressed, postpaid envelope in order that our records may be complete.

Very truly yours,

_____
(Recalling Officer)

****

I hereby resign from the service of the Railway Company covered by the Roster on which recalled above.

_____
(Signature of Employee)

_____
(Date)

cc: _____, Local Chairman

SAMPLE LETTER - Failure to Return to Service/Forfeiture of Seniority

NOTICE TO EMPLOYEE OF FAILURE TO RETURN
TO SERVICE ON RECALL AND NOTICE OF FORFEITURE OF SENIORITY

_____
Location

_____
Date

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Mr./Ms._____
_____
_____

Dear Mr./Ms._____:

By letter dated _____, you were recalled for work as a
(Date)
_____at_____, in accordance with the Rules of
(Position) (Location)
your Agreement. You were to arrange to report for service at _____
(Time)
_____,on _____.
(Day) (Date)

Since you have failed to respond to recall or furnish a satisfactory explanation for your absence, your name has been removed from the seniority roster on which recalled.

Very truly yours,

_____
(Recalling Officer)

Cc: _____, Local Chairman

RULE 26 - RELIEF WORK, FURLOUGHED EMPLOYEES (Article IV, November 21, 1954 National Agreement)

(a) The Company shall have the right to use furloughed employees to perform relief work on regular positions during absence of regular occupants, provided such employees have signified in the manner provided in paragraph (b) hereof their desire to be so used. This provision is not intended to supersede rules or practices which permit employees to place themselves on vacancies on preferred positions in their seniority point, it being understood, under these circumstances, that the furloughed employee will be used, if the vacancy is filled, on the last position that is to be filled. This does not supersede rules that require the filling of temporary vacancies. It is also understood that Management retains the right to use the regular employee, under pertinent Rules of the Agreement, rather than call a furloughed employee.

(b) Furloughed employees, desiring to be considered available to perform such relief work will notify the proper Officer of the Carrier in writing, with copy to the local chairman, that they will be available and desire to be used for such work. A furloughed employee may withdraw his written notice of willingness to perform such work at any time before being called for such service by giving written notice to that effect to the proper Carrier Officer, with copy to the local chairman. If such employee should again desire to be considered available for such service, notice to that effect -as outlined hereinabove -- must again be given in writing. Furloughed employees who would not at all times be available for such service will not be considered available for relief work under the provisions of this Rule. Furloughed employees so used will not be subject to rules of the Agreement which require advance notice before reduction of force.

(c) Furloughed employees who have indicated their desire to participate in such relief work will be called in seniority order for this service.

(d) Employees who are on approved leave of absence will not be considered furloughed employees for purposes of this Rule.

(e) Furloughed employees shall in no manner be considered to have waived their rights to a regular assignment when opportunity therefor arises.

Understanding

(1) Employees covered by the Shop Crafts Agreement who are furloughed and make request for work under this rule will, when used, be subject to the following:

(a) Will not be considered available for service when they will be starting a second tour of duty within the same work day. A work day as used herein shall be a 24-hour period beginning with the starting time of the first shift.

(b) Will not be considered available for service when they will be working in excess of forty (40) straight time hours within a work week. The term work week will begin with the starting time of the first shift on Wednesday.

(c) Will not be considered available when they have not been off duty one shift.

(2) Positions which are filled hereunder will be filled on a day-to-day basis.

(3) This rule provides further that furloughed employees who are not at all times available for work will not be considered as available for work under the rule.

(4) This Understanding may be canceled upon thirty (30) days written notice, either party to the other.

RULE 27 – SENIORITY

(a) The seniority of employees covered by this agreement shall be confined to the point employed in each of the following departments:

Maintenance of Equipment Department
Maintenance of Way Department

(b) Joumeyman Mechanics and student mechanics shall have separate seniority rosters. There shall be three roster-divisions of Carmen's Craft, as follows:

Carmen
Painters
Upholsters

(c) New Hires establishing seniority on the same date shall be ranked as follows:

1. the one with the most seniority in the Mechanical Department
2. the one with the greater amount of prior service with the Company
3. the one with the earliest birth date
4. the date of their application for the job

(d) Seniority will begin on the first date of compensated service, subject to the provisions of Appendix X (Student Mechanic Agreement). In establishing seniority for new employees, it is understood that such seniority cannot be established until determination has been made of the rights of employees entitled to consideration under Rules 12 and 13 for a vacancy or new position existing at the time the new employee is hired.

(e) Seniority lists will be posted on bulletin boards, which are provided for in this agreement, in January of each year, and will be considered permanently established if not protested during the year in which the roster is posted. Seniority dates not protested then become the fixed seniority for each man on the roster and will be carried forward to succeeding rosters. Only changes or additions as may have been made during the preceding year may be protested. Neither the Management nor the Committees will receive any complaints for correction of seniority dates which are not handled during the year in which the roster is posted. Copies of the seniority lists will be furnished the Local Chairman and General Chairman at the time of posting on bulletin boards.

(f) Active employees voluntarily transferring to another craft will forfeit seniority under this Agreement.

RULE 28 - BULLETIN RULE

(a) Senior men in their respective classifications shall have the opportunity to exercise their seniority when vacancies occur, or new jobs are created, or when changes in forces occur involving increased hours, higher rates of pay, or changing from night to day shifts or vice versa. Due consideration will be given to men off on sick leave, vacation or leave of absence upon their return to work.

Seniority as mentioned in any of the rules of this agreement will govern when the employees desire to exercise such rights. If sufficient ability is shown by trial, senior applicants for vacancies or new positions shall be assigned.

(b) When any changes according to paragraph "(a)" are to be made, bulletins will be posted immediately calling for bids, such bulletins to remain open for a period of five days (Sample Bulletin attached). Employees desiring to bid on such jobs must do so within the five days' limit by making application to the office in writing with copy to the Local Chairman. Failure to comply with this provision will forfeit the claim of any bidder. The successful bidder will be assigned to the position no later than five days following the expiration of the advertised bulletin, preferably on the first day of the work week. If no bids are received within the five day limit, the senior unassigned man will be placed on the job. Permanent assignment will be made immediately after the five day limit.

> NOTE: Bids received from employees for positions advertised within the department in which employed will be accepted, provided the primary duties of the vacancy are not identical to those of the position presently held by the bidder.
>
> NOTE: Placement of employees who are awarded positions - (Letter of Understanding dated February 28, 2003)
>
> It has been our practice to place employees on their positions within 10 days of the effective date of award unless extenuating circumstances exist. It is understood that if an employee is unreasonably withheld from his awarded position, the Organization will notify the Senior Director and unless there are extenuating circumstances involved, the employee will be placed on the position. If the new position is at a higher rate, the higher rate will be allowed after the 10th day.

(c) The practice of exercising seniority to displace junior employees by "ROLLING" or "BUMPING" is not permitted; however, an employee whose job is abolished or who may be displaced by other causes, if qualified, will be permitted to exercise seniority on any job occupied by a junior employee on his seniority list.

(d) Acceptance of work at other shop points or at the same point where more than one roster is maintained between the time of layoff and being called back into the service at home seniority point, will not impair an employee's seniority standing. If an employee makes the transfer permanent he will be dated as a new man from the day he started to work at the new seniority point of employment.

(e) Vacancies of long duration of thirty (30) days or longer arising as a result of absence of an employee due to serious illness, retirement account disability, etc., will be bulletined as permanent vacancies in accordance with Paragraph (b) of this rule. Upon return of the employee, he shall be privileged to exercise a displacement right under the provisions of Paragraph (c) of this rule. Any employee(s) affected shall in turn be privileged to exercise displacement rights.

> NOTE: Qualifications for Bulletined Positions - *(Letter of Understanding dated February 28,2003)*
>
> It is agreed that the Organization may notify the Senior Director of any situations where employees need training in order to obtain qualifications that are needed to qualify for Carman positions and the parties will arrange for such training so that when the positions become vacant, the employees will have the qualifications to be awarded same.

Understanding:

(1) The word "trial", as set forth in this rule, does not mean that the Company will give an employee sufficient time to learn a job, but will allow sufficient time to enable one to get the run of the work, which ordinarily should not consume to exceed three days. An employee who bids in a job should in a general way be familiar with it, and it should not require to exceed the time above specified to demonstrate his ability to handle the work. However, if in the judgment of the foreman in charge, the employee in question is going to make good, he can give the employee more time than is indicated above. If at any time, an employee feels that he is not being given a fair trial, it is understood he may take the matter up with the foreman in charge or with the committee of his craft, who may handle with the foreman in charge, and if a satisfactory understanding is not reached, the matter should be then brought to the attention of the officer in charge.

(2) If an employee who bids on a job fails to show necessary qualifications for the new position, he will lose his right to the job he left, and will be compelled to take whatever position in his craft may be open.

(3) Employees exercising their seniority rights under this rule will not be paid overtime when changing shifts.

STANDARD FORM OF BULLETIN FOR BULLETINING JOBS

BULLETIN NO._____

_____

(Place) (Date)

The following position is hereby advertised for bids.

Employees desiring to bid for the position will make written application to the supervisor in charge, with copy of his bid to the local chairman or his representative.

Bids will be received from _____to _____, inclusive.

Title of Position_____

Location and Shift_____

Days of Assignment_____

Permanent or Temporary_____

Rate of Pay_____

Work consists in general of _____

_____

_____

(Signed)_____

(Supervisor in Charge)

RULE 29 - CLAIMS OR GRIEVANCES (Article V of the August 21, 1954 National Agreement)

(a) Should any employee subject to this agreement believe he has been unjustly dealt with, or any of the provisions of this agreement have been violated, the case shall be taken to the officers designated in this rule, in their respective order, by the duly authorized local committee or their representative, and if stenographic report of investigation is taken the committee shall be furnished a copy.

(b) All claims or grievances must be presented in writing by or on behalf of the employee involved, to the officer of the Carrier authorized to receive same, within 60 days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, the carrier shall, within 60 days from the date same is filed, notify whoever filed the claim or grievance (the employee or his representative) in writing of the reasons for such disallowance. If not so notified, the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Carrier as to other similar claims or grievances.

(c) If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within 60 days from receipt of notice of disallowance and the representative of the Carrier shall be notified in writing within that time, of the rejection of his decision. Failing to comply with this provision, the matter shall be considered as closed, but this shall not be considered as a precedent or waiver of the contentions of the employees as to other similar claims or grievances. It is understood, however, that the parties may, by agreement, at any stage of the handling of a claim or grievance on the property, extend the 60-day period for either a decision or appeal, up to and including the highest officer of the Carrier designated for that purpose.

(d) The requirements outlined in paragraphs (a) and (b), pertaining to appeal by the employee and decision by the Carrier, shall govern in appeals taken to each succeeding officer, except in cases of appeal from the decision of the highest officer designated by the Carrier to handle such disputes. All claims or grievances involved in a decision by the highest designated officer shall be barred unless within 9 months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3 Second of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the 9 months' period herein referred to.

(e) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under this rule, be fully protected by the filing of one claim or grievance based thereon as long as such alleged violations, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than 60 days prior to the filing thereof. With respect to claims and grievances involving an employee held out of service in discipline cases, the original notice of request for reinstatement with pay for time lost shall be sufficient.

(f) This rule recognizes the right of representatives of the Organizations, parties hereto, to file and prosecute claims and grievances for and on behalf of the employees they represent.

(g) This agreement is not intended to deny the right of the employees to use any other lawful action for the settlement of claims or grievances provided such action is instituted within 9 months of the date of the decision of the highest designated officer of the Carrier.

(h) This rule shall not apply to requests for leniency.

(i) Should the highest designated railroad official, or his duly authorized representative, and the General Chairman or his duly authorized representative, fail to agree, the case may then be handled in accordance with the Railway Labor Act.

(j) Prior to assertion of grievances as herein provided, and while questions of grievances are pending, there will be neither a shutdown by the employer nor a suspension of work by the employees.

(k) All conferences between local officials and local committees to be held during regular working hours without loss of time to committeemen. It is understood that "local committees" referred to in this rule will consist of a committeeman and a second or assistant committeeman (one or the other) if desired.

RULE 30 – DISCIPLINE

Section A - General Requirements

1. An employee who has been in the service of the Carrier for sixty (60) working days shall not be discharged, suspended or otherwise disciplined without a fair and impartial investigation except that an employee may waive an investigation in accordance with Section B(2) of this agreement.
2. An employee shall not be held from service pending investigation except in serious cases, such as theft, altercation, Rule "G" violation, insubordination, major accidents, serious misconduct and major offenses, etc., whereby the employee's retention in service could be detrimental to himself, another person or the Carrier.

Section B - Formal Investigation

1. Notice of Investigation

(a) An employee directed to attend a formal investigation to determine the employee's responsibility, if any, in connection with an occurrence or incident shall be notified, in writing, by certified mail to the last known address with a copy to the Local and General Chairmen, within a reasonable period of time but not to exceed twenty (20) days from the date of occurrence, or where the occurrence is of a nature not immediately known to the employee's supervisor(s), not to exceed twenty (20) days from the time they first have knowledge thereof. The notice shall contain a precise statement of the

date, time, place and nature of the occurrence or incident that is to be the subject of the investigation.

NOTE: This rule does not preclude delivery of the notice at reasonable times by a Carrier representative. If such delivery is at the employee's home, it shall be made only when other means of delivery are not practicable.

(b) The notice shall state the date, time and place the investigation is to be held which shall be not less than four (4) days after the date of notification or more than twenty (20) days after the date of notification unless otherwise agreed to.

(c) The Carrier will have the responsibility of producing sufficient witnesses to develop the facts concerning the incident or occurrence being investigated and the notice of investigation shall include the name of each person receiving the notice and the names of all witnesses known at the time of the notice that the Carrier intends to have in attendance at the hearing. The employee or the employee's duly authorized representative may bring to the attention of the responsible Carrier official the name or names of other witnesses who may provide material facts.

(d) The notice shall inform each employee so notified of the right to representation and to bring in witnesses.

2. Waiver of Investigation

(a) An employee who has been notified to appear for an investigation shall have the option, prior to the investigation, to discuss with the appropriate Carrier official, either personally, through or with the employee's duly authorized representative, the act or occurrence and the employee's responsibility, if any. The duly authorized representative shall be contacted and permitted to be present during any discussion held in connection with the waiver of investigation.

If disposition of the charges is made on the basis of the employee's acknowledgment of responsibility, the disposition shall be reduced to writing and signed by the employee and the official involved and shall incorporate a waiver of investigation and shall specify the maximum discipline imposed for employee's acceptance of responsibility with copy to General Chairman.

Disposition of cases under this paragraph (a) shall not establish precedents in the handling of other cases.

(b) No minutes or other record will be made of the discussions and, if the parties are unable to reach an agreed upon disposition on this basis, no reference shall be made to these discussions by either of the parties in any subsequent handling of the charges under the discipline procedure.

3. Postponements of Investigation

Consistent with the provisions of Section A.I for a fair and impartial investigation, postponements of the formal proceeding may be requested by either party on reasonable grounds and consent shall not be unreasonably withheld.

4. Conduct of Investigation

(a) The investigation shall be conducted by an officer of the employing Carrier who may be assisted by other officers.

NOTE: When another Carrier is involved, this will not preclude an officer ofthe Carrier from assisting in the hearing recognizing, in any case, that there shall be only one presiding (hearing) officer.

(b) Formal investigation shall be held at the point where the employee involved in employed and at such time as will result in no loss of time for the employee, his representatives (no more than two) and his witnesses that are employed at such point unless otherwise agreed to. The employee shall have the right to represent himself with his duly authorized representative present or be represented at the investigation by a maximum of three duly authorized Organization representatives, with one acting as spokesman for all. The employee(s) shall be afforded a reasonable opportunity to secure the presence of his representative(s) and/or necessary witnesses. The employee and/or the employee's representative shall have the right to introduce witnesses in the employee's behalf, to hear all testimony introduced, to question all witnesses and examine all exhibits.

(c) If the formal investigation is not held within; the time limits specified in Section B.I (b), or the decision is not rendered with thirty (30) calendar days from the close of the investigation, the employee will not be disciplined, will be paid for all time lost, and no disciplinary entry will be made in the employees personal service record.

Section C - Transcript of Investigation

1. A copy of the decision rendered shall be furnished to the duly authorized representative and the employee at the time the decision is rendered in the event discipline is assessed.

A copy of the transcript shall be furnished to the General Chairman, duly authorized representative and the employee at the time the decision is rendered in the event discipline is assessed.

2. It is recognized that the Carrier is responsible for insuring that an accurate transcript of the investigation is made. However, this will not preclude the use of comparable equipment by the employee or his duly authorized representative to make a record of the proceedings for their own use.

Section D - Compensation for Attending Investigations

1. Witnesses, as referred to in Section B.1 (c), who are directed by the Carrier to attend an investigation, shall be compensated for all time lost and, when incurred, will be reimbursed for reasonable and necessary expenses incurred for each day of the investigation.

2. When an employee involved in a formal investigation is not assessed discipline, the employee shall be compensated for all time lost and, when incurred, will be reimbursed for reasonable and necessary expenses incurred for each day of the investigation.

Section E - Time Limit of Appeals

1. When discipline has been assessed as a result of a formal investigation and the decision as rendered by the Carrier is not acceptable to the employee, the General Chairman may appeal the decision directly to the highest designated officer of the Carrier pursuant to the provisions of the claims procedure.

2. If at any point in this appeal procedure or in the proceedings before a tribunal having jurisdiction it is determined that the employee should not have been disciplined, any charges related thereto entered in the employee's personal service record shall be voided and, if required to lose time or if held out of service (suspended or dismissed), the employee shall be reinstated with his seniority and other rights unimpaired and made whole for time lost, if any, including overtime, less outside earnings resulting from said suspension or dismissal.

3. If discipline assessed is by suspension, time lost by an employee when held out of service shall be deducted from the assessed period of suspension.

Section F- Unjust Treatment

An employee who considers himself unjustly treated, otherwise than covered by the current agreements, shall have the same right of representation, investigation and appeal as provided in this rule if written request is made by the General Chairman to the employee's immediate supervisor within (15) days of the cause for complaint.

RULE 31- ASSIGNMENT OF WORK **(Article m, Assignment of Work- Use of Supervisors 9/25/64 National Agreement)**

(a) None but mechanics or Student Mechanics regularly employed as such shall do mechanics' work as per Rule 41 except foremen at points where no mechanics are employed. However, craft work performed by foremen or other supervisory employees employed on a shift shall not in the aggregate exceed 20 hours a week for one shift, 40 hours a week for two shifts, or 60 hours for all shifts.

If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairmen of the Organization affected. Any disputes over the application of this Rule shall be handled under the provision of Rule 29.

(b) This Rule does not prohibit foremen in the exercise of their duties to perform work.

(Article IV - Outlying Points, 9/25/64 National Agreement)

(c) At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman of any craft, the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by Agreement, it shall be handled under the provisions of Rule 29 and pending the disposition of the dispute, the Carrier may proceed with or continue its designation.

RULE 32 - LEAD MECHANICS

In small gangs, not more than twelve (12) employees, a working mechanic may be bulletined as a leadman who will participate in and direct the work of other members of the gang, and will be paid fifty (50) cents per hour over the highest paid mechanics he supervises.

RULE 33-RATES OF PAY

(1) Rates of Pay

Basic rate of pay is defined as the straight time rate of pay for an employee's regular job classification. The regular rate of pay per hour for each job classification shall be provided in the basic rate schedule Appendix I attached hereto and made a part of this Agreement.

Student Mechanics and Tentative Mechanics shall be paid as follows:

Period	Rate
1 - [122 workdays]	90% of Journeyman's Rate
2 - [122 work days]	90% of Journeyman's Rate
3 - [122 work days]	90% of Journeyman's Rate
4 - [122 work days]	95% of Journeyman's Rate
5 - [122 work days]	95% of Journeyman's Rate
6 - [122 work days]	95% of Journeyman's Rate

(2) Skill Differentials (Article VII, November 27, 1991 National Agreement, effective 12/1/93)

(a) Journeymen Carmen, including upgraded mechanics, who actually perform the work listed below shall receive a differential per hour above the minimum rate paid to journeymen Carmen at the point employed for each hour actually spent performing the listed work as set forth below.

1. Existing differentials paid to journeymen for performing lead mechanic work shall be increased to 50 cents per hour effective December 1, 1993.

2. Existing differentials paid to journeymen for performing welding work shall be increased to 25 cents per hour effective December 1, 1993.

3. Existing differentials paid to journeymen regularly assigned to a full time (bulletined) position established for the performance of AAR write-up or layout work shall be increased to 25 cents per hour effective December 1, 1993.

Agreed Upon Guidelines for Administration of Increased Differentials

Q. Who is entitled to receive increased differentials?

A. Journeymen (including upgraded mechanics) who actually perform the listed work.

Q. How does the differential apply where the position is that of journeyman and some welding, lead mechanic or layout work is required?

A. When performing welding, lead mechanic or layout work for four (4) hours or less in anyone day, employees will be paid the differential on an hourly basis with a minimum of one (1) hour; for more than four (4) hours in anyone day, the differential will apply for that day.

NOTE: The increase to the existing AAR write-up differential will apply only to a journeyman who holds a regular assignment bulletined to perform AAR write-up work on a full time basis (including a journeyman who temporarily relieves such an assignment) and will be paid on that basis.

Q. What if two or more of the increased differentials would be applicable to a particular position in any given day?

A. There shall be no compounding or pyramiding of the above differentials.

Q. What about pre-existing differentials?

A. Any existing differentials applicable to the work covered by the increased differentials that are higher are preserved.

Q. When must an employee's qualifications be known to the railroad or established?

A. An examination or test may be required as a prerequisite to assignment to a position subject to an increased differential of an employee who has not previously been qualified on such work by performance or otherwise.

(3) Commercial Drivers License - (Letter of Understanding dated February 28, 2003)

Section 1 - CDL and FHW A testing, Licensing and Certification

(a) Upon presentation of proof of expenditures, CSXT shall reimburse employees for all fees necessary to obtain CDL License for the first application. Once the CDL is obtained, subsequent renewals or additional endorsements which are required to maintain the license requirements will also be reimbursed.

(b) Employees shall be permitted the use of an appropriate CSXT vehicle to take CDL test provided that written request for the use of such vehicle is made to the designated Carrier Officer no less than five (5) working days prior to the CDL test.

Section 2 - CDL Differential

(a) Journeyman Carmen, including upgraded mechanics who hold a bulletined position requiring a CDL License shall receive a differential of 30 cents per hour above the minimum rate paid to journeyman Carmen. There will be no compounding or pyramiding of differentials.

NOTE: Licensed employees holding relief position will be paid the CDL differential when the position they relieve has the bulletined CDL requirement.

RULE 34 - CONDITIONS OF SHOP. ETC

Good drinking water and ice will be furnished. Sanitary drinking fountains will be provided where necessary. Pits and floors, lockers, toilets, and wash rooms will be kept in a clean, dry and sanitary condition. Shops, locker rooms and wash rooms will be lighted and heated in the best manner possible consistent with the source of heat and lights available at the point in question.

RULE 35 – TOOLS

Tools and materials necessary for the performance of Carman work will be furnished by the Carrier.

RULE 36 - COMPETENT HELP

Mechanics and student mechanics will be furnished sufficient competent help.

RULE 37 - PERSONAL INJURIES

(a) Employees injured while at work will not be required to make accident reports before given medical attention. Medical attention will be given as quickly as possible. Employees will make accident report as early as practicable and will be given copy of the report, and will not be required . to sign release pending settlement of the case. If requested, the employee will have his union representative present. Claims for personal injuries may be handled with the Personal Injury Claim Department.

(b) Employees injured while on duty and who are required to visit the doctor during working hours may do so without loss of time.

RULE 38 - BULLETIN BOARDS

Bulletin Boards will be provided in each department where proper notices may be posted. This will be confined to only subjects in which the Management or Employees are concerned.

RULE 39 - PROTECTION OF EMPLOYEES

(a) Work on engines or cars outside of shops during inclement weather will be limited to actual necessity and then only if shop room or pits are not available. This does not apply to work in engine cabs or emergency work on engines or cabs set out for or attached to trains.

(b) When it is necessary to make repairs to engine boilers, tanks, cars or parts, they shall be cleaned before mechanics are required to work on same. This will also apply to cars undergoing general repairs.

(c) Employees will not be assigned to jobs when they will be exposed to sand blast and paint blowers while in operation.

(d) All acetylene or electric welding or cutting will be protected by a suitable screen when its use is required.

(e) Sufficient blowers and suction fans will be installed to take fumes out of shops.

(f) No employee will be required to work under locomotive or car without being protected in accordance with federal regulations. Where the nature of the work to be done requires it, locomotives and passenger cars will be placed over a pit, if available.

(g) The management, with the cooperation of employees, will keep shops and yards in a clean and sanitary condition and all machinery and tools in a safe and working condition.

(h) Men engaged in the handling of storage batteries and mixing acid must be provided with acid-proof rubber gloves, hip boots and aprons.

(i) Steam or water will not be blown off from locomotives in roundhouses to the extent that it will interfere with or inconvenience employees when possible to avoid it.

G) When practicable, engines will be place under smoke jacks before being fired up.

RULE 40 - CARMAN'S QUALIFICATIONS - **(Article VI of the January 23,2003 Arbitrated Agreement)**

Any employee covered by this Agreement who has completed a carman apprenticeship (student mechanic program) or who has had 732 days (three years) of practical experience at carmen's work (including as upgraded helper or upgraded apprentices), and who with the aid of tools, with or without drawings, can layout, build, or perform the work of his craft or occupation in a mechanical manner, shall constitute a carman. Existing rules and practices on the carrier regarding how days are counted for the foregoing purposes will continue to be applicable.

RULE 41- CLASSIFICATION OF WORK

(a) Carmen's work shall consist of building, maintaining, dismantling (except all wood freighttrain cars), painting, upholstering and inspecting all passenger and freight cars, both wood and steel, planing mill, cabinet and bench carpenter work, pattern and flask making, and all other carpenter work in shops and yards, except work generally recognized as bridge and building department work; carmen's work in building and repairing motor cars, lever cars, hand cars and station trucks; building, repairing and removing and applying locomotive cabs, pilots, pilot beams, running foot and headlight boards, tender frames and trucks; pipe and inspection work in connection with air brake equipment on freight cars; applying patented metal roofing; operating punches and shears, doing shaping and forming; work done with hand forges and heating torches in connection with carmen's work; painting with brushes, varnishing, surfacing, decorating, lettering, cutting of stencils and removing paint (not including use of sand blast machine or removing in vats); all other work generally recognized as painters' work under the supervision of the locomotive and car departments, except the application of blacking to fire and smoke boxes of locomotives in engine houses; joint car inspectors, car inspectors, safety appliance and train car repairers; oxy-acetylene, thermit and electric welding on work generally recognized as carmen's work; and all other work generally recognized as carmen's work.

(b) It is understood that present practice in the performance of work between the carmen and boilermakers will continue.

Understanding - Negotiated February 9-22, 1922.

Paint spraying machines will be operated by painters unless this practice is changed by some ruling or interpretation from the Labor Board.

RULE 42 - COUPLING. INSPECTION AND TESTING

(Established by Med. Agreement, Case No. A 7030, September 25,1964)

(a) In yards or terminals where carmen in the service of the Carrier operating or servicing the train are employed and are on duty in the departure yard, coach yard or passenger terminal from which trains depart, such inspecting and testing of air brakes and appurtenances on trains as is required by the Carrier in the departure yard, coach yard, or passenger terminal, and the related coupling of air, signal and steam hose incidental to such inspection, shall be performed by the carmen.

(b) This rule shall not apply to coupling of air hose between locomotive and the first car of an outbound train; between the caboose and the last car of an outbound train or between the last car in a "double-over" and the first car standing in the track upon which the outbound train is made up. (Established by Mediation Agreement, Case No. A9699, December 4,1975)

(c) If as of July 1, 1974 a railroad had Carmen assigned to a shift at a departure yard, coach yard or passenger terminal from which trains depart, who performed the work set forth in this rule, it may not discontinue the performance of such work by Carmen on that shift and have employees other than Carmen perform such work (and must restore the performance of such work by carmen if discontinued in the interim), unless there is not a sufficient amount of such work to justify employing a Carman.

(d) If as of December 1,1975 a railroad has a regular practice of using a carman or carmen not assigned to a departure yard, coach yard or passenger terminal from which trains depart to perform all or substantially all of the work set forth in this rule during a shift at such yard or terminal, it may not discontinue use of a carman or carmen to perform substantially all such work during that shift unless there is not sufficient work to justify employing a carman.

(e) If as of December 1, 1975 a railroad has a regular practice of using a carman not assigned to a departure yard, coach yard or passenger terminal from which trains depart to perform work set forth in this rule during a shift as such yard or terminal, and paragraph (d) hereof is inapplicable it may not discontinue all use of a carman to perform such work during that shift unless there is not sufficient work to justify employing a carman.

(Established by Med. Agreement, Case Nos. A11411, A11537, A11538, November 19,1986)

At locations referred to in paragraphs (a), (c), (d) and (e) where Carmen were performing inspections and tests of air brakes and appurtenances on trains as of October 30, 1985, Carmen shall continue to perform such inspections and tests and the related coupling of air, signal and steam hose incidental to such inspections and tests. At these locations this work shall not be transferred to other crafts.

Where air brake inspections and tests were removed from the jurisdiction of Carmen at locations referred to in the preceding paragraph on or subsequent to October 30, 1985, such work shall be returned to Carmen within 60 days of the effective date of this Agreement. Where such work performed by Carmen is transferred to another location, Carmen shall be utilized to perform such work. Any new air brake inspection work shall be assigned according to principles identifying the traditional delineation between carmen's work and work belonging to operating employees.

Any rules or practices which prohibit or restrict the use of Car Inspectors from working on cars taken from trains for repairs are hereby eliminated. Carmen assigned to make air brake inspections and tests, when not engaged in such work, may be assigned to perform any work which they are capable of performing and which does not infringe in the contractual rights of other employees.

If there has been a diminution of air brake inspection and testing work due to a transfer of work to another location, the remaining air brake inspection and testing work cannot be assigned to other than Carmen except as provided in the Letter of Understanding attached hereto. If causes other than transfer of work to another location precipitate the diminution of carmen's air brake inspection and testing work, at the locations identified above, nothing in the Article shall require the employment of a Carman. Any dispute as to whether or not there is sufficiency of work shall be determined according to the following procedures:

Upon adequate advance request the General Chairman of Carmen shall be allowed access to the location in question to enable him to determine whether or not to request a joint check.

When requested by the General Chairman the parties will undertake a joint check of the work done. During such check, there will be no change made in the scheduling of trains normally operated nor in the work normally assigned for the purpose of affecting the joint check.

If the dispute is not resolved by agreement, it shall be handled under the provisions of Section 3, Second, of the Railway Labor Act, as amended, and pending disposition of the dispute, the railroad may proceed with or continue its determination. If the Board determines that the joint check has not been taken in accordance with the procedures described herein, the Board shall order another joint check and have the authority to 1) restore abolished positions, 2) award back pay, and 3) take other appropriate remedial action.

The railroad shall have the burden of showing that the operations either were not changed or that any change that was made was for operational reasons and not to affect the joint check.

(Side Letter #4, National Agreement dated November 19, 1986, reproduced below)

November 19, 1986

Mr. C. E. Wheeler
President
Brotherhood Railway Carmen Division of BRAC
4929 Main Street
Kansas City, Missouri 64112

Dear Mr. Wheeler:

This confirms our understanding with respect to Article VI of the Agreement of this date.

If a Carman's position has been properly abolished in accordance with this Article and any air brake inspection work remains at that location, this inspection work may be assigned to other crafts provided:

1) there is insufficient carmen's work (less than 4 hours) to justify the employment or recall of a Carman.

2) the work is not thereafter transferred to other locations unless it is assigned to a Carman at the other location.

It should be understood that if the work builds up again at the location in question, the carrier must restore all of the inspection work to Carmen.

Please indicate your agreement by signing your name in the space provided below:

Very truly yours,

/s/ C. 1. Hopkins, Jr.
Chairman National Railway Labor Conference

I agree:

/s/ C. E. Wheeler

RULE 43 - WRECKING SERVICE

(Established by mediation Agreement, Case A-9699, December 4, 1975)

(a) When pursuant to rules and practices, a carrier utilizes the equipment of a contractor (with or without forces) for the performance of wrecking service, a sufficient number of the Carrier's assigned wrecking crew, if reasonably accessible to the wreck, will be called (with or without the Carrier's wrecking equipment and its operators) to work with the contractor. The contractor's ground forces will not be used, however, unless all available and reasonably accessible members of the assigned wrecking crew are called. The number of employees assigned to the Carrier's wrecking crew for purposes of this rule will be the number assigned as of the date of this Agreement.

NOTE: In determining whether the Carrier's assigned wrecking crew is reasonably accessible to the wreck, it will be assumed that the ground men of the wrecking crew are called at approximately the same time as the contractor is instructed to proceed to the work.

(b) This rule modifies existing rules only to the extent specifically provided herein.

RULE 44 - WRECKING CREWS

(a) Regularly assigned wrecking crews, including engineers and fireman, will be composed of carmen and will be paid for such service under Rule 9.

(b) When wrecking crews are called for wrecks or derailments outside yard limits, a sufficient number of the regularly assigned crew will accompany the outfit.

(c) Within yard limits, when the wrecker is used, the necessary number of members of the wrecking crew will be called to perform the work. For wrecks or derailments within yard limits, sufficient carmen will be called to perform the work.

(d) When needed, men of any class may be taken as additional members of wrecking crews to perform duties consistent with their classification.

(e) Meals and lodging will be provided by the Company while crews are on duty in wrecking service.

(f) Where foreman is not in charge of the wreck crew, a carman will be assigned to direct the work of the wreck crew and will be paid leading man's rate.

RULE 45 - HOESCH EQUIPMENT CREW

In order to have a uniform system in handling the Hoesch Equipment at locations that have such equipment or at locations that acquire such equipment, it is hereby agreed that:

(a) There will be one Lead Carman and two Carmen with secondary assignments to operate the Hoesch Equipment by bulletin. These employees must be qualified to operate the Hoesch Equipment and Hi-rail truck on the main line, and be knowledgeable with

applicable Transportation Department rules and regulations. The leadman will be responsible for reporting any needed repairs to the Hoesch Equipment.

(b) When available, the crew will accompany the Hoesch Equipment when used inside or outside of yard limits. Members of the crew and/or other qualified Carmen on duty maybe used and will be paid under current overtime and emergency road service rules when applicable.

(c) If additional Carmen are needed to handle the Hoesch Equipment and other qualified on-duty Carmen are not available, they will be called under the current overtime procedures.

RULE 46 - WELDING WORK

None but Carmen and their Student Mechanics shall operate oxyacetylene, thermal, or electric welders utilized during the performance of Carman's work, as per Rule 41.

RULE 47 - ROAD WORK

When necessary to repair cars on the road or away from the shops, carman, and helper when necessary, will be sent out to perform such work as putting in couplers, draft rods, draft timbers, arch bars, center pins, putting cars on center, truss rods, and wheels, and work of similar character.

RULE 48 - INSURANCE

Agreements covering the Railroad Employees National Health and Welfare Plan, as modified by the January 23,2003 Arbitrated Agreement, and Supplemental Benefits outlined in the March 29, 1970 National Agreement, as amended by the September 9, 1996 National Agreement and the January 23, 2003 Arbitrated Agreement will remain in full force and effect until changed in accordance with the provisions of the Railway Labor Act.

RULE 49 - APPLICANTS FOR EMPLOYMENT

(a) Applicants for employment will be required to make statement as to their ability and address of relatives and may be required to pass physical examination, at the expense of the Carrier, to determine their fitness to perform the service required of their craft or class.

(b) Employees promoted to, or men engaged for, positions that require them to distinguish signals or do flagging will be required to pass usual eyesight and hearing test before assigned to such service.

(c) The application of an employee entering the service under this Agreement will be approved or rejected within sixty days after commencing work. When an applicant is not notified to the contrary within sixty days, it will be understood that his application has been approved. If his application is not approved, he can be removed from the service during this sixty-day period without an investigation.

RULE 50 - DISTRIBUTION OF RULE BOOKS

The Company will have printed in book form copies of these Rules and furnish a copy to each employee affected.

RULE 51-GENERAL

(a) The right to make Agreements covering rates of pay and working conditions, and to interpret and apply them, respectively, for the management and the employees herein covered, is retained by the parties signatory thereto. When settlement is not reached by negotiation, the matter concerned may be pursued by further handling under the provision of the Railway Labor Act.

(b) Carrier's Designated Officer and the General Chairman for the employees, have authority to reach decision on any dispute, grievance, controversy, or difference of opinion affecting this Agreement in any manner whatsoever, whether the case comes to them on appeal or otherwise. Decision reached on any such question by mutual agreement under this rule shall be final.

RULE 52 - SAVINGS CLAUSE

In printing this Agreement to include applicable parts of the several nationally negotiated Agreements and other memoranda, it is not the intention of the parties signatory hereto to change, or modify the application and/or interpretation thereto. Should a dispute arise through the omission of, or slight change in, language used in the National Agreement or original memorandum, including implementing agreements, the original language shall be controlling.

Furthermore, it is the intent of the parties to incorporate herein all applicable National Agreement rules, and it is understood that all such rules, if not specifically included herein, are incorporated by reference.

RULE 53 - GENDER CLAUSE

For convenience, all references to gender in this Agreement are made in the masculine gender. It is understood and agreed by the parties to this Agreement that references to masculine gender include both the masculine gender and the feminine gender.

RULE 54 - EFFECTIVE AGREEMENTS

In consolidating the Schedule Agreements of the involved former Railroads, it is recognized that in some instances the application of certain Rules and the assignment of certain work has been applied differently on the former Railroad Systems. Therefore. it is understood and agreed that the consolidated Agreement will not be used to change existing work practices relative to craft assignments on the former Railroads, unless specifically agreed to by the involved parties.

All National Agreements to which the parties hereto are signatory, but which may not be fully reproduced herein, are by reference made part of this agreement as though fully reproduced herein.

Signed at Jacksonville, FL, this 18 day of December 2003.

FOR THE EMPLOYEES

/s/ L. A. Sutton
General Chairman BRC-TCU

FOR THE CARRIER

/s/ A.R. Males
Sr. Director Labor Relations

AGREED:

/s/ Charles Moneypenny
Director Railroad Division

/s/ A. J. Rudi
Director Labor Relations

/s/ G. W. Janney
Manager Labor Relations

APPENDIX I

CSX TRANSPORTATION, INC.

RATES OF PAY - CARMEN (Effective - February 1, 2003 - subject to adjustment in accordance with the 1/23/03 Arbitrated Agreement and the Railway Labor Act):

Journeymen Carmen	$20.51
Journeymen Carmen Painters	$20.58
Journeymen Carmen Carpenters	$20.58

STUDENT MECHANICS/TENTATIVE MECHANICS:

Period	Rate
1 - [122 workdays]	**90% of Journeyman's Rate**
2 - [122 work days]	**90% of Journeyman's Rate**
3 - [122 work days]	**90% of Journeyman's Rate**
4 - [122 work days]	**95% of Journeyman's Rate**
5 - [122 work days]	**95% of Journeyman's Rate**
6 - [122 work days]	**95% of Journeyman's Rate**

DIFFERENTIALS - (Article VII, November 27, 1991 National Agreement and Letter of Understanding dated February 28, 2003)

Journeymen and upgraded mechanics performing lead work	50 cents per hour
Journeymen and upgraded mechanics performing welding work	25 cents per hour
Journeymen and upgraded mechanics regularly assigned to full time (bulletined) position for AAR write-up or layout work	25 cents per hour
Journeymen and upgraded mechanics who hold a bulletined position requiring a CDL License	30 cents per hour

(There will be no compounding or pyramiding of differentials)

APPENDIX II

VACATION AGREEMENT

Vacation with pay will be granted to employees covered by this Agreement under and in accordance with the terms and provision of the Vacation Agreement dated Chicago, Illinois, December 17, 1941, and Supplemental Agreements dated February 23,1945, August 21, 1954, August 19,1960, November 20, 1964, February 4, 1965, September 27, 1967, September 2, 1969, October 7, 1971, December 2, 1978, December 11, 1981, and interpretations.

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.

Article 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.

(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.

(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 than 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 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 eight (8) of such years, not necessarily consecutive.

(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) 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 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 often (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.

(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.

(j) 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 services 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.

(k) 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 the 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 in the year of his return with days in such year 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.

(1) 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 the employing officer, a copy of such request to be furnished to his local or general chairman.

Article 2.

An employee's vacation period will not be extended by reason of any of the eleven recognized holidays enumerated in Rule 6, or any day which by agreement has been substituted or is observed in place of any of those eleven holidays, or any holiday which by local agreement has been. substituted therefor, falling within his vacation period.

Article 3.

The terms of this Agreement shall not be construed to deprive any 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.

Article 4.

(a) Vacations maybe 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.

Article 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 advance notice as possible; not less than ten (10) days' notice shall be given except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty (30) 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.

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.

Article 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.

Article 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 from his compensation on account of vacation allowances made pursuant to this Agreement.

(d) An employee working on a piece-work or 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 Sections (a), (b), (c), or (d) of this Article 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.

Article 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 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 therefore 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.

Article 9.

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

Article 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 the 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 percent 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 shall be paid less than his own normal compensation for the hours of his own assignment because of vacations to other employees.

Article 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.

Article 12.

(a) Except as otherwise provided in this Agreement, the 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 therefor 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 so than 60 days in a calendar year. If a person so hired under the terms hereof acquires seniority rights, such rights will date from the day of original entry into service unless otherwise provided in existing Agreements.

Article 13.

The parties hereto having in mind conditions which exist or may arise in making provisions for vacations with pay agree that the duly authorized representatives of the employees 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 Appendix.

Article 14.

It is understood and agreed that the vacations referred to herein may be taken in installments of one week. This does not alter or supersede any other provision of this Appendix.

Understanding: All vacation qualifying years earned in continuous service with CSXT regardless of former railroad will be counted as qualifying time for vacation purposes.

One-Day Vacation

The Vacation Agreement is amended to provide that employees may take one week of their annual vacation in one day increments, subject to the following:

(a) Such individual vacation days must be scheduled not more than 30 days in advance and at least 24 hours in advance of the date the vacation is desired, except in an emergency, with notice from the employee to the proper Carrier officer, subject to Carrier approval.

(b) The Carrier officer and local committee will cooperate in assigning unused vacation days not taken or scheduled prior to November 30 of the calendar year.

(c) The Carrier shall have the option to fill or not fill the position of the employee who is absent on a vacation day under this Article. If the vacant position is filled, the applicable rules of the agreement will apply thereto.

APPENDIX III

AGREEMENT OF SEPTEMBER 25. 1964. AS AMENDED

ARTICLE 1- Employee Protection

Section 1

The purpose of this rule is to afford protective benefits for employees who are displaced or deprived of employment as a result of changes in the operations of the carrier due to the causes listed in Section 2 hereof, and, subject to the provisions of this Agreement, the carrier has and may exercise the right to introduce technological and operational changes except where such changes are clearly barred by existing rules or agreements.

Any job protection agreement which is now in effect on a particular railroad which is deemed by the authorized employee representatives to be more favorable than this Article with respect to a transaction such as those referred to in Section 2 hereof, may be preserved as to such transaction by the representatives so notifying the carrier within thirty days from the date of receipt of notice of such transaction, and the provisions of this Article will not apply with respect to such transaction.

None of the provisions of this Article shall apply to any transactions subject to approval by the Interstate Commerce Commission, if the approval order of the. Commission contains equal or more favorable employee protection provisions, or to any transactions covered by the Washington Job Protection Agreement.

Section 2

The protective benefits of the Washington Job Protection Agreement of May 1936, shall be applicable, as more specifically outlined below, with respect to employees who are deprived of employment or placed in a worse position with respect to compensation and rules governing working conditions as a result of any of the following changes in the operations of this individual carrier:

a. Transfer of work;
b. Abandonment, discontinuance for 6 months or more, or consolidation of facilities or services or portions thereof;
c. Contracting out of work;
d. Lease or purchase of equipment or component parts thereof, the installation, operation, servicing or repairing of which is to be performed by the lessor or seller;
e. Voluntary or involuntary discontinuance of contracts;
f. Technological changes; and,
g. Trade-in or repurchase of equipment or unit exchange.

Section 3

An employee shall not be regarded as deprived of employment or placed in a worse position with respect to his compensation and rules governing working conditions in case of his resignation, death, retirement, dismissal for cause in accordance with existing agreements, or failure to work due to disability or discipline, or failure to obtain a position available to him in the exercise of his seniority rights in accordance with existing rules or agreements, or reductions in forces due to seasonal requirements, the layoff of temporary employees or a decline in a carrier's business, or for any other reasons not covered by Section 2 hereof. In any dispute over whether an employee is deprived of employment or placed in a worse position with respect to his compensation and rules governing working conditions due to causes listed in Section 2 hereof or whether it is due to the causes listed in Section 3 hereof, the burden of proof shall be on the carrier.

Section 4

The carrier shall give at least sixty (60) days (ninety (90) days in cases that will require a change of employee's residence) written notice of the abolition of jobs as a result of changes in operations for any of the reasons set forth in Section 2 hereof, by posting a notice on bulletin boards convenient to the interested employees and by sending certified mail notice to the General Chairmen of such interested employees. Such notice shall contain a full and adequate statement of the proposed changes in operations, including an estimate of the number of employees of each class affected by the intended changes, and a full disclosure of all facts and circumstances bearing on the proposed discontinuance of positions. The date and place of a conference between representatives of the carrier and the General Chairman or his representative, at his option, to discuss the manner in which and the extent to which employees may be affected by the changes involved, shall be agreed upon within ten (10) days after the receipt of said notice, and conference shall commence within thirty (30) days from the date of such notice.

Section 5

Any employee who is continued in service, but who is placed, as a result of a change in operations for any of the reasons set forth in Section 2 hereof, in a worse position with respect to compensation and rules governing working conditions, shall be accorded the benefits set forth in Section 6(a), (b) and (c) of the Washington Job Protection Agreement of May, 1936, reading as follows:

> Section 6(a). No employee of any of the carriers involved in a particular coordination who is continued in service shall, for a period not exceeding five years following the effective date of such coordination, be placed, as a result of such coordination, in a worse position with respect to compensation and rules governing working conditions than he occupied at the time of such coordination so long as he is unable in the normal exercise of his seniority rights under existing agreements, rules and practices to obtain a position producing compensation equal to or exceeding the compensation of the position held by him at the time of the particular coordination, except however, that if he fails to exercise his seniority rights to secure another available position, which does not require a change in

residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated for the purposes of this section as occupying the position which he elects to decline.

(b) The protection afforded by the foregoing paragraph shall be made effective whenever appropriate through what is hereby designated as a 'displacement allowance' which shall be determined in each instance in the manner hereinafter described. Any employee entitled to such an allowance is hereinafter referred to as a 'displaced' employee.

(c) Each displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee and his total time paid for during the last twelve (12) months in which he performed service immediately preceding the date of his displacement (such twelve (12) months being hereinafter referred to as the 'test period') and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and average monthly time paid for, which shall be the minimum amounts used to guarantee the displaced employee, and ifhis compensation in his current position is less in any month in which he performs work than the aforesaid average compensation he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the test period.

Section 6

Any employee who is deprived of employment as a result of a change in operations for any of the reasons set forth in Section 2 hereof shall be accorded a monthly dismissal allowance in accordance with the terms and conditions set forth in Section 7 (a) through (j) of the Washington Job Protection Agreement of May, 1936, reading as follows:

Section 7 (a). Any employee of any of the carriers participating in a particular coordination who is deprived of employment as a result of said coordination shall be accorded an allowance (hereinafter termed a coordination allowance), based on length of service, which (except in the case of an employee with less than one year of service) shall be a monthly allowance equivalent in each instance to sixty per cent (60%) of the average monthly compensation of the employee in question during the last twelve months of his employment in which he earned compensation prior to the date he is first deprived of employment as a result of the coordination. This coordination allowance will be made to each eligible employee while unemployed by his home road or in the coordinated operation during a period beginning at the date he is first deprived of employment as a result of the coordination and extending in each instance for a length of time determined and limited by the following schedule:

"Length of Service	Period of Payment
1 yr. and less than 2 yrs.	6 months
2 yrs. " 3 yrs.	12 "
3 yrs. "5 yrs.	18 "
5 yrs. " 10 yrs.	36 "
10 yrs. " 15 yrs.	48 "
15 yrs. and over	60 "

In the case of an employee with less than one year of service, the total coordination allowance shall be a lump sum payment in an amount equivalent to sixty (60) days pay at the straight time daily rate of the last position held by him at the time he is deprived of employment as a result of the coordination.

(b) For the purposes of this agreement the length of service of the employee shall be determined from the date he last acquired an employment status with the employing carrier and he shall be given credit for one month's service for each month in which he performed any service (in any capacity whatsoever) and twelve such months shall be credited as one year's service. The employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

(c) An employee shall be regarded as deprived of his employment and entitled to a coordination allowance in the following cases:

1. When the position which he holds on his home road is abolished as result of coordination and he is unable to obtain by the exercise of his seniority rights another position on his home road or a position in the coordinated operation, or

2. When the position he holds on his home road is not abolished but he loses that position as a result of the exercise of seniority rights by an employee whose position is abolished as a result of said coordination, or by other employees, brought about as a proximate consequence of the coordination, and if he is unable by the exercise of his seniority rights to secure another position on his home road or a position in the coordinate operation.

(d) An employee shall not be regarded as deprived of employment in case of his resignation, death, retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally, dismissal for justifiable cause in accordance with the rules, or furloughed because of reduction in forces due to seasonal requirements of the service; nor shall any employee be regarded as deprived of employment as the result of a particular coordination who is not deprived of his employment within three years from the effective date of said coordination.

(e) Each employee receiving a coordination allowance shall keep the employer informed of his address and the name and address of any other person by whom he may be regularly employed.

(f) The coordination allowance shall be paid to the regularly assigned incumbent of the position abolished. If the position of an employee is abolished while he is absent from service, he will be entitled to the coordination allowance when he is available for service. The employee temporarily filling said position at the time it was abolished will be given a coordination allowance on the basis of said position until the regular employee is available for service and thereafter shall revert to his previous status and will be given a coordination allowance accordingly if any is due.

(g) An employee receiving a coordination allowance shall be subject to call to return to service after being notified in accordance with the working agreement, and such employee may be required to return to the service of the employing carrier for other reasonably comparable employment for which he is physically and mentally qualified and which does not require a change in his place of residence, if his return does not infringe upon the employment rights of other employees under the working agreement.

(h) If an employee who is receiving a coordination allowance returns to service the coordination allowance shall cease while he is so re-employed and the period of time during which he is so re-employed shall be deducted from the total period for which he is entitled to receive a coordination allowance. During the time of such reemployment however he shall be entitled to protection in accordance with the provisions of Section 6.

(i) If an employee who is receiving a coordination allowance obtains railroad employment (other than with his home road or in the coordination operation) his coordination allowance shall be reduced to the extent that the sum total of his earnings in such employment and his allowance exceeds the amount upon which his coordination allowance is based; provided that this shall not apply to employees with less than one year's service.

(j) A coordination allowance shall cease prior to the expiration of its prescribed period in the event of:

1. Failure without good cause to return to service in accordance with working agreement after being notified of position for which he is eligible and as provided in paragraphs (g) and (h).
2. Resignation.
3. Death.
4. Retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally.
5. Dismissal for justifiable cause."

Section 7

Any employee eligible to receive a monthly dismissal allowance under Section 6 hereof may, at his option at the time he becomes eligible, resign and (in lieu of all other benefits and protections provided in this agreement) accept in a lump sum a separation allowance determined in accordance with the provisions of Section 9 of the Washington Job Protection Agreement of May, 1936, reading as follows:

> Section 9. Any employee eligible to receive a coordination allowance under Section 7 hereof may, at his option at the time of coordination, resign and (in lieu of all other benefits and protections provided in this agreement) accept in a lump sum a separation allowance determined in accordance with the following schedule:

Length of Service	Separation Allowance
1 year & less than 2 years	3 months' pay
2 years & less than 3 years	6 months' pay
3 years & less than 5 years	9 months' pay
5 years & less than 10 years	12 months' pay
10 years & less than 15 years	12 months' pay
15 years and over	12 months' pay

> In the case of employees with less than one year's service, five days' pay, at the rate of the position last occupied, for each month in which they performed service will be paid as the lump sum.
>
> (a) Length of service shall be computed as provided in Section 7.
>
> (b) One month's pay shall be computed by multiplying by 30 the daily rate of pay received by the employee in the position last occupied prior to time of coordination.

Section 8

Any employee affected by a change in operations for any of the reasons set forth in Section 2 hereof shall not be deprived of benefits attaching to his previous employment, such as free transportation, pensions, hospitalization, relief, etc., under the same conditions and so long as such benefits continue to be accorded to other employees of the carrier, in active service or on furlough as the case may be, to the extent that such benefits can be so maintained under present authority of law or corporate action or through future authorization which may be obtained.

Section 9

Any employee who is retained in the service of the carrier, or who is later restored to service after being eligible to receive a monthly dismissal allowance, who is required to change the point of his employment as a result of a change in the carrier's operations for any of the reasons set forth in Section 2 hereof, and is, therefore, required to move his

place of residence, shall be accorded the protective benefits set forth in Section 10 of the Washington Job Protection Agreement of May,1936, reading as follows:

> Section 10(a) Any employee who is retained in the service of any carrier involved in a particular coordination (or who is later restored to service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as result of such coordination and is therefore required to move his place of residence, shall be reimbursed for all expenses of moving his household and other personal effects and for the traveling expenses of himself and members of his family, including living expenses for himself and his family and his own actual wage loss during the time necessary for such transfer, and for a reasonable time thereafter, (not to exceed two working days), used in securing a place of residence in his new location. The exact extent of the responsibility of the carrier under this provision and the ways and means of transportation shall be agreed upon in advance between the carrier responsible and the organization of the employee affected. No claim for expenses under this Section shall be allowed unless they are incurred within three years from the date of coordination and the claim must be submitted within ninety (90) days after the expenses are incurred.
>
> (b) If any such employee is furloughed within three years after changing his point of employment as a result of coordination and elects to move his place of residence back to his original point of employment, the carrier shall assume the expense of moving his household and other personal effects under the conditions imposed in paragraph (a) of this section.
>
> (c) Except to the extent provided in paragraph (b) changes in place of residence subsequent to the initial changes caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this section.

Section 10

Any employee who is retained in the service of the carrier, or who is later restored to service after being eligible to receive a monthly dismissal allowance, who is required to change the point of his employment as a result of a change in the carrier's operations for any of the reasons set forth in Section 2 hereof, and is, therefore, required to move his place of residence, shall be accorded the protective benefits set forth in Section 11 of the Washington Job Protection Agreement of May, 1936, reading as follows:

> Section 11 (a). The following provisions shall apply, to the extent they are applicable in each instance, to any employee who is retained in the service of any of the carriers involved in a particular coordination (or who is later restored to such service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as a result of such coordination and is therefore required to move his place of residence:
>
> 1. If the employee owns his own home in the locality from which he is required to move, he shall at his option be reimbursed by his employing carrier for any loss

suffered in the sale of his home for less than its fair value. In each case the fair value of the home in question shall be determined as of a date sufficiently prior to the coordination to be unaffected thereby. The employing carrier shall in each instance be afforded an opportunity to purchase the home at such fair value before it is sold by the employee to any other party.

2. If the employee is under a contract to purchase his home, the employing carrier shall protect him against loss to the extent of the fair value of any equity he may have in the home and in addition shall relieve him from any further obligations under his contract.

3. If the employee holds an unexpired lease of a dwelling occupied by him as his home, the employing carrier shall protect him from all loss and cost in securing the cancellation of his said lease.

(b) Changes in place of residence subsequent to the initial change caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this Section.

(c) No claim for loss shall be paid under the provisions of this section which is not presented within three years after the effective date of the coordination.

(d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of lease, or any other question in connection with these matters, it shall be decided through joint conference between the representatives of the employees and the carrier on whose line the controversy arises and in the event they are unable to agree, the dispute may be referred by either party to a board of three competent real estate appraisers, selected in the following manner: One to be selected by the representatives of the employees and the carrier, respectively; these two shall endeavor by agreement within ten days after their appointment to select the third appraiser, or to select some person authorized to name the third appraiser, and in the event of failure to agree then the Chairman of the Interstate Commerce Commission shall be requested to appoint the third appraiser. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the salary of the appraiser selected by such party."

Section 11

When positions are abolished as a result of changes in the carrier's operations for any of the reasons set forth in Section 2 hereof, and all or part of the work of the abolished positions- is transferred to another location or locations, the selection and assignment of forces to perform the work in question shall be provided for by agreement of the General Chairman of the craft or crafts involved and the carrier establishing provisions

appropriate for application in the particular case; provided however, that under the terms of the agreement sufficient employees will be required to accept employment within their classification so as to insure a force adequate to meet the carrier's requirements. In the event of failure to reach such agreement, the dispute may be submitted by either party for settlement as hereinafter provided.

Section 12

Any dispute with respect to the interpretation or application of the foregoing provisions of Sections I through 11 of this Article (except as defined in Section 10) with respect to job protection, including disputes as to whether a change in the carrier's operations is caused by one of the reasons set forth in Section 2 hereof, or is due to causes set forth in Section 3 hereof, and disputes as to the protective benefits to which an employee or employees may be entitled, shall be handled as hereinafter provided.

ARTICLE II - Subcontracting *(amended by November 27,1991 National Agreement)*

Article II, Subcontracting, of the September 25, 1964 National Agreement, as amended, is further amended as follows to implement the report and recommendations of Presidential Emergency Board 219, as interpreted and clarified by Special Board 102-29, and that report and recommendations as well as the questions and answers that interpret and clarify them are specifically incorporated herein by reference.

The work set forth in the classification of work rules of the crafts parties to the Imposed Agreement or, in the scope rule if there is no classification of work rule, and all other work historically performed and generally recognized as work of the crafts pursuant to such classification of work rules or scope rules where applicable, will not be contracted except in accordance with the provisions of Sections 1 through 4 of this Article II. The maintenance and repair of equipment which has been historically (not necessarily exclusively) maintained and repaired by a carrier's own employees, no matter how purchased or made available to the carrier, shall not be contracted out by the carrier except in the manner specified. In determining whether work falls within either of the preceding sentences, the practices at the facility involved will govern.

Section 1 - Applicable Criteria

Subcontracting of work, including unit exchange, will be done only when genuinely unavoidable because (1) managerial skills are not available on the property but this criterion is not intended to permit subcontracting on the ground that there are not available a sufficient number of supervisory personnel possessing the skills normally held by such personnel; or (2) skilled manpower is not available on the property from active or furloughed employees; or (3) essential equipment is not available on the property; or (4) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or (5) such work cannot be performed by the carrier except at a significantly greater cost, provided the cost advantage enjoyed by the subcontractor is not based on a standard of wages below that of the prevailing wages paid in the area for the type of work being performed and provided further that if work which

is being performed by railroad employees in a railroad facility is subcontracted under this criterion, no employees regularly assigned at that facility at the time of the subcontracting will be furloughed as a result of such subcontracting. Unit exchange as used herein means the trading in of old or worn equipment or component parts, receiving in exchange new, upgraded or rebuilt parts, but does not include the purchase of new equipment or component parts. As to the purchase of component parts which a carrier had been manufacturing to a significant extent, such purchases will be subject to the terms and conditions of this Article 11.

Section 2 - Advance Notice - Submission of Data – Conference

If the carrier decides that in the light of the criteria specified above it is necessary to subcontract work of a type currently performed by the employees, it shall give the General Chairman of the craft or crafts involved notice of intent to contract out and the reasons therefor, together with supporting data sufficient to enable the General Chairman to determine whether the contract is consistent with the criteria set forth above.

Advance notice shall not be required concerning minor transactions. A minor transaction is defined for purposes of notice as an item of repair requiring eight man-hours or less to perform (unless the parties agree on a different definition) and which occurs at a location where mechanics of the affected craft, specialized equipment, spare units or parts are not available or cannot be made available within a reasonable time.

The General Chairman or his designated representative will notify the carrier within ten days' from the postmarked date of the notice of any desire to discuss the proposed action. Upon receipt of such notice the carrier shall give such representative of the organization at least ten days' advance notice of a conference to discuss the proposed action.

If no agreement is reached at the conference following the notification, either party may submit a demand for an expedited arbitration within five working days of the conference. Except in emergencies, the carrier shall not consummate a binding subcontract until the expedited procedures have been implemented and the arbitrator has determined that the subcontract is permissible, unless the parties agree otherwise. For the purpose, an "emergency" means an unforeseen combination of circumstances, or the resulting state, which calls for prompt or immediate action involving safety of the public, employees, and carriers' property or avoidance of unnecessary delay to carriers' operations.

Section 3 - Request for Information When No Advance Notice Given

If the General Chairman of a craft requests the reasons and supporting data for the subcontracting of work for which no notice of intent has been given, in order to determine whether the contract is consistent with the criteria set forth above, such information shall be furnished him promptly. If a conference is requested by the General Chairman or his designated representative, it shall be arranged at a mutually acceptable time and place. Any dispute as to whether the contract is consistent with the criteria set forth in Section 1 may be processed to a conclusion as hereinafter provided.

Disputes concerning a carrier's alleged failure to provide notice of intent or to provide sufficient supporting data in a timely manner in order that the general chairman may reasonably determine whether the criteria for subcontracting have been met, also may be submitted to a member of the arbitration panel, but not necessarily on an expedited basis. In the event the parties are unable to agree on a schedule for resolving such a dispute, the arbitrator shall establish the schedule.

Section 4 - Establishment of Subcontracting Expedited Arbitration Panels

The parties shall establish expedited panels of neutral arbitrators at strategic locations throughout the United States, either by carrier or region. Each such panel shall have exclusive jurisdiction of disputes on the carrier's system or in the applicable geographical region, as the case may be, under the provisions of Article II, Subcontracting, as amended by this Imposed Agreement. The members of each of those panels shall hear cases or a group of cases on a rotating basis. Arbitrators appointed to said panels shall serve for terms of two years provided they adhere to the prescribed time requirements concerning their responsibilities. These arbitrators shall be compensated for their services directly by the parties.

Section 5 – Consist

Six neutral arbitrators shall be selected for each subcontracting expedited arbitration panel, unless the parties shall agree to a different number.

Section 6 – Location

Hearing and other meetings of arbitrators from the subcontracting expedited arbitration panels shall be at strategic locations.

Section 7 – Referees

If the parties are unable to agree on the selection of all of the arbitrators making up a panel within 30 days from the date the parties establish a panel of neutral arbitrators, the NMB shall be requested to supply a list of 12 arbitrators within 5 days after the receipt of such request. By alternate striking of names, the parties shall reduce the list to six arbitrators who shall constitute the panel. Neither party shall oppose or make any objection to the NMB concerning a request for such a panel.

Section 8 - Filling Vacancies

Vacancies for subcontracting expedited arbitration panels shall be filled by following the same procedures as contained in Section 7 above.

Section 9 - Content of Presentations

The arbitrator shall not consider any evidence not exchanged by the parties at least 48 hours before the commencement of the hearing. Other rules governing the scope and content of the presentations to the Panels shall be established by further agreement of the parties or by the arbitrator if the parties fail to reach an agreement.

Section 10 - Procedure at Board Meetings

Upon receipt of a demand under Section 2 of this Article, the arbitrator shall schedule a hearing within three working days and conduct a hearing within five working days thereafter. The arbitrator shall conclude the hearing not more than 48 hours after it has commenced. The arbitrator shall issue an oral or written decision within two working days of the conclusion of the hearing. An oral decision shall be supplemented by a written one within two weeks of the conclusion of the hearing unless the parties waive that time requirement. Any of these time limits may be extended by mutual agreement of the parties. Procedural rules governing the record and hearings before the Panels shall be determined by further agreement of the parties or by the arbitrator if the parties fail to reach an agreement.

Section 11 – Remedy

(a) If there is a claim for wage loss on behalf of a named claimant, arising out of an alleged violation of this Article, which is sustained, the arbitrator's decision shall not exceed wage loss and other benefits necessary to make the employee whole.

(b) If the arbitrator finds that the carrier violated the advance notice requirements of Section 1 [in non-emergency situations], the arbitrator shall award an amount equal to that produced by multiplying 50% of the an-hours billed by the contractor by the weighted average of the straight-time hourly rates of pay of the employees of the carrier who would have done the work, provided however that where the carrier is found to have both failed to consult and wrongfully contracted out work, the multiplier shall be 10% rather than 50%. The amounts awarded in accordance with this paragraph shall be divided equally among the claimants, or otherwise distributed upon an equitable basis, as determined by the arbitrator.

Section 12 - Final and Binding Character

Decisions of the Board shall be final and binding upon the parties to the dispute. In the event an Award is in favor of an employee or employees, it shall specify a date on or before which there shall be compliance with the Award. In the event an A ward is in favor of a carrier the A ward shall include an order to the employee or employees stating such determination. The carrier agrees to apply the decision of an arbitrator in a case arising on the carrier's property which sustains a grievance to all substantially similar situations and the Organization agrees not to bring any grievance which is substantially similar to a grievance denied on the carrier's property by the decision of the arbitrator.

Decisions of arbitrators rendered under this Article shall be subject to judicial enforcement and review in the same manner and subject to the same provisions which apply to awards of the National Railroad Adjustment Board.

Section 13 - Disputes Referred to Other Boards

Disputes arising under Article I, Employee Protection, Article ill, Assignment of Work - Use of Supervisors, Article N, Outlying Points, and Article V, Coupling, Inspection and Testing shall not be subject to the jurisdiction of any Subcontracting Arbitration Panel.

Disputes under Article n need not be progressed in the "usual manner" as required under Section 3 of the Railway Labor Act, but can be handled directly with the highest designated officer in the interest of expeditious handling. This Article sets up special time limits to govern the handling of cases before the expedited arbitration panels, thus providing special procedures which are intended to supersede the provisions of the standard Time Limit Rule. Therefore, such disputes being processed to a conclusion through the expedited arbitration panels are not subject to the provisions of the standard Time Limit Rule.

If there should be any claims filed for wage loss on behalf of a named claimant arising out of an alleged violation of Article n - Subcontracting, such claims for wage loss should be filed promptly and within sixty days of the filing of the alleged violation of Article II - Subcontracting, with the same carrier officer as to whom such violation of Article II was directed by the General Chairman of the craft or crafts involved, or his representative. If such claim is a continuous one, it cannot begin to run prior to the date the claim is presented.

Failure to handle as set forth in the preceding paragraph shall not be considered as precedent or waiver of the contentions of the carriers or employees as to other similar claims.

ARTICLE 111- ASSIGNMENT OF WORK - USE OF SUPERVISORS (see Rule 31)

ARTICLE IV - OUTLYING POINTS (see Rule 31)

ARTICLE V - COUPLING, INSPECTION AND TESTING (see Rule 42)

ARTICLE VI- RESOLUTION OF DISPUTES

Article VI of the September 25, 1964 Agreement, as amended, is further amended to delete (a) all references to Article II - Subcontracting, and (b) Section 14 - Remedy (and to renumber the subsequent sections accordingly).

(from Side Letter #10, Exhibit A, National Agreement dated November 27, 1991)

Mr. W. G. Fairchild, President
Brotherhood Railway Carmen -
Division of TCU
4929 Main Street - Carmen's Bldg.
Kansas City, Missouri 64112
Dear Mr. Fairchild:

This is to confirm our understanding that the changes to Article VI of the September 25, 1964 Agreement, as amended, which result from the Imposed Agreement effective this date are accurately reflected in Exhibit A to this side letter.

Please indicated your agreement by signing your name in the space provided below:

Very truly yours,
/s/C. 1. Hopkins, Jr.
Chairman National Railway Labor Conference

I agree:
Is/W. G. Fairchild

EXHIBIT A

Section 1 - Establishment of Shop Craft Special Board of Adjustment

In accordance with the provisions of the Railway Labor Act, as amended, a Shop Craft Special Board of Adjustment, hereinafter referred to as "Board" is hereby established for the purpose of adjusting and deciding disputes which may arise under Article I, Employee Protection, of this agreement. The parties agree that such Board shall have exclusive authority to resolve all disputes arising under the terms of Article I of this Agreement. Awards of the Board shall be subject to judicial review by proceedings in the United States District Court in the same manner and subject to the same provisions that apply to awards of the National Railroad Adjustment Board.

(ARTICLE VI - RESOLUTION OF DISPUTES - Section 1 as amended by ARTICLE VIII- Part B. of December 4, 1975 Agreement)

Section 2 - Consist of Board

Whereas Article VI of the September 25, 1964 Agreement provides for the resolution of disputes arising under Article I of said Agreement and Section 2 of Article VI of sets forth the procedure for the composition of the Board established for the purpose of resolving such disputes; and under the terms of said section the Board is to consist of two members appointed by the organizations party to the Agreement, two members appointed by the carriers party to the Agreement and a fifth member, a referee, appointed from a panel of referees; and

Whereas, in November of 1964 following an exchange of letters it was further agreed by the parties to the Agreement to modify the terms of Section 2 of Article VI by providing that instead of two members each party would appoint three members with the understanding that in any function, two of the three members thus appointed would serve; and

Whereas, in the Memorandum of Agreement dated May 31, 1974 and Mediation Agreement dated December 4, 1978, it was agreed by the parties to the agreement to further modify the appointment and functioning of partisan members by providing that instead of three members each party would appoint six members; two of the six persons designated to represent the organizations party to the Agreement would be appointed by International Association of Machinists and Aerospace Workers and Sheet Metal Workers' International Association respectively and the remaining four members would be appointed on behalf of the other four organizations party to the Agreement by the Railway Employees' Department, AFL-CIO; and whereas, on October 1, 1980, the Railway Employees' Department, AFL-CIO, was dissolved by appropriate action and ceased to have any status as an affiliation of Shop Craft Organizations or to have any authority to speak for or represent any organization or brotherhood; and

Whereas, the parties to understand the importance of maintaining grievance machinery for the handling of disputes arising under the September 25, 1964 National Agreement in order to provide a means for the peaceful resolution of minor grievances under the Railway Labor Act; and

Whereas, in view of these considerations the organizations party to the Agreement have agreed upon a temporary procedure which is acceptable to the carriers party to the Agreement, for the appointment and functioning of partisan members of the Board under Section 2 of VI.

NOW, THEREFORE, it is agreed that effective October 1, 1980, partisan members of the Board under Section 2 of Article VI shall be appointed and function as follows:

1. Six members shall be appointed by the organizations party to the Agreement and six members shall be appointed by the carriers party to the Agreement. Of the six persons designated to represent the organizations party to the Agreement one shall be appointed by each of the following signatories: International Association of Machinists and Aerospace Workers; Sheet Metal Workers' International Association; International Brotherhood of Boilermakers, Iron Shop Builders, Blacksmiths, Forgers and Helpers; Brotherhood Railway Carmen of the United States and Canada; International Brotherhood of Electrical Workers, and International Brotherhood of Firemen and Oilers.

2. Each of the twelve partisan members of the Board so appointed shall have the right to sit in all proceedings of the Board. The organizations and the carriers party to the Agreement further agree, however, that in the handling of dispute cases before the Board a smaller panel of the twelve members may function and constitute a quorum for the resolution of such disputes, provided first, that at least one organization and one carrier member shall sit and function in all dispute cases

before the Board; second, that regardless of the number of members sitting and functioning in dispute cases, the unit method of voting shall prevail and six votes shall be cast on behalf of the carrier and organization members respectively; third, that in any dispute involving employees represented by one of the signatory organizations, the appointee of that organization shall sit and function as a member of the Board.

It is agreed further that all disputes and grievances arising under Article I of the September 25, 1964 Agreement shall be handled on appeal from the property in accordance with the terms of this Agreement while it is in effect including those presently pending before Special Board of Adjustment 570, as well as any subsequently appealed to the Board.

This Memorandum is a temporary measure intended to provide the parties with a continuing means for the peaceful resolution of such minor grievances under the Railway Labor Act pending further consideration of matters arising from the dissolution of Railway Employees' Department.

(Section 2 of Article VI - RESOLUTION OF DISPUTES from MEMORANDUM OF AGREEMENT November 17, 1980)

Section 3 - Appointment of Board Members

Appointment of the members of the Board shall be made by the respective parties within thirty days from the date of the signing of this agreement.

Section 4 - Location of Board Office

The Board shall have offices in the City of Chicago, Illinois.

Section 5 - Referees - Employee Protection

The parties agree to select a panel of six potential referees for the purpose of disposing of disputes before the Board arising under Article I of this agreement. Such selections shall be made within thirty (30) days from the date of signing of this agreement. If the parties are unable to agree upon the selection of the panel of potential referees within the 30 days specified, the National Mediation Board shall be requested to name such referees as are necessary to fill the panel within 5 days after the receipt of such request.

Section 6 - Term of Office of Referees

The parties shall advise the National Mediation Board of the names of the potential referees selected, and the National Mediation Board shall notify those selected, and their successors, of their selection, informing them of the nature of their duties, the parties to the agreement and such information as it may deem advisable, and shall obtain their consent to serve as a panel member. Each panel member selected shall serve as a member until January 1, 1966, and until each succeeding January 1 thereafter unless written notice is served by the organizations or the carriers parties to the agreement, as

least 60 days prior to January 1 in any year that the referee is no longer acceptable. Such notice shall be served by the moving parties upon the other parties to the agreement, the members of the Board and the National Mediation Board. If the referee in question shall then be acting as a referee in any case pending before the Board, the referee shall serve as a member of the Board until the completion of such case.

Section 7 - Filling Vacancies – Referees

In the event any panel member refuses to accept such appointment, dies, or becomes disabled so as to be unable to serve, is terminated in tenure as hereinabove provided, or a vacancy occurs in panel membership for any other reason, his/her name shall immediately be stricken from the list of potential referees. The members of the Board shall, within thirty days after a vacancy occurs, meet and select a successor for each member as may be necessary to restore the panel to full membership. If they are unable to agree upon a successor within thirty days after such meeting, he/she shall be appointed by the National Mediation Board.

Section 8 - Jurisdiction of Board

The Board shall have exclusive jurisdiction over disputes between the parties growing out of grievances concerning interpretation or application of Article I, Employee Protection.

Section 9 - Submission of Dispute

Any dispute arising under Article I, Employee Protection, of this agreement, not settled in direct negotiations may be submitted to the Board by either party, by notice to the other party and to the Board.

(Sections 3, 4,5,6, 7, 8 and 9 of ARTICLE VI
RESOLUTION OF DISPUTES - from September 25,1964 Agreement)

Section 10 - Time Limits for Submission

Within 60 days of the postmarked date of such notice, both parties shall send 15 copies of a written submission to their respective members of the Board. Copies of such submissions shall be exchanged at the initial meeting of the Board to consider the dispute.

(Section 10 of ARTICLE VI - RESOLUTION OF DISPUTES –
from ARTICLE VIII - Part B. of December 4, 1975 Agreement)

Section 11 - Content of Submission

Each written submission shall be limited to the material submitted by the parties to the dispute on the property and shall include:

(a) The question or questions in issue;

(b) Statement of facts;

(c) Position of employee or employees and relief requested;

(d) Position of Company and relief requested.

Section 12 - Failure of Agreement - Appointment of Referees

If the members of the Board are unable to resolve the dispute within twenty days from the postmarked date of such submission, either member of the Board may request the National Mediation Board to appoint a member of the panel of potential referees to sit with the Board. The National Mediation Board shall make the appointment within five days after receipt of such request and notify the members of the Board of such appointment promptly after it is made. Copies of both submissions shall promptly be made available to the referee.

Section 13 - Procedure at Board Meetings

The referee selected shall preside at meetings of the Board and shall be designated for the purpose of a case as the Chairman of the Board. The Board shall hold a meeting for the purpose of deciding the dispute within 15 days after the appointment of a referee. The Board shall consider the written submission and relevant agreements, and no oral testimony or other written material will be received. A majority vote of all members of the Board shall be required for a decision of the Board. A partisan member of the Board may in the absence of his partisan colleague vote on behalf of both. Decisions shall be made within thirty days from the date of such meeting.

(Sections 11, 12, and 13 of ARTICLE VI-
RESOLUTION OF DISPUTES - from September 25, 1964 Agreement)

Section 14 - Final and Binding Character

Decisions of the Board shall be final and binding upon the parties to the dispute. In the event an Award is in favor of an employee or employees, it shall specify a date on or before which there shall be compliance with the Award. In the event an Award is in favor of a carrier the Award shall include an order to the employee or employees stating such determination.

(Section 14 of ARTICLE VI - RESOLUTION OF DISPUTES
from ARTICLE VIII - PART B. of December 4, 1975 Agreement)

Section 15 - Extension of Time Limits

The time limits specified in this Article may be extended only by mutual agreement of the parties.

Section 16 – Records

The Board shall maintain a complete record of all matters submitted to it for its consideration and of all findings and decisions made by it.

Section 17 - Payment of Compensation

The parties hereto will assume the compensation, travel expense and other expense of the Board members selected by them. Unless other arrangements are made, the office, stenographic and other expenses of the Board, including compensation and expenses of the neutral members thereof, shall be shared equally by the parties.

Section 18 - Disputes Referred to Adjustment Board

Disputes arising under Article III - Assignment of Work, Article IV - Outlying Points, and Article V - Coupling Inspection and Testing, of this agreement, shall be handled in accordance with Section 3 of the Railway Labor Act, as amended.

(Sections 15, 16, 17, and the first paragraph of Section 18
of Article VI - Resolution of Disputes - from September 25,1964 Agreement)

Under the provisions of Article VI, Section 18, disputes arising under Article III - Assignment of Work, Article IV - Outlying Points and Article V - Coupling, Inspection and Testing, are to be handled in accordance with Section 3 of the Railway Labor Act. It is clear that with respect to such. disputes subject to handling under Section 3 of the Act any claim or grievance is subject to the time limits and procedural requirements of the Time Limit on Claims Rule.

A different situation exists with respect to disputes arising under Article I - Employee
Protection. Article VI provides a "Shop craft Special Board of Adjustment" for the purpose of adjusting and deciding disputes arising out of that Article (Article VI, Section 1), and specifically provides (Article VI, Section 8) that the Board shall have exclusive jurisdiction over disputes between the parties growing out of grievances concerning the interpretation or application of that Article.

During our negotiations, it was understood by both parties that disputes under Article I need not be progressed in the "usual manner" as required under Section 3 of the Railway Labor Act, but could be handled directly with the highest officer in the interest of expeditious handling. Sections 10 through 13 set up special time limits to govern the handling of submissions to the Special Board, thus providing special procedures which are intended to supersede the provisions of the standard Time Limit Rule. Therefore, such disputes being processed to a conclusion through the Shop Craft Special Board are not subject to the provisions of the standard Time Limit Rule.

This understanding is a supplement to Article VI of the September 25, 1964 Agreement and will become effective as of this date.
(ARTICLE VI - Section 18, 2nd through 5th paragraphs from
MEMORANDUM OF UNDERSTANDING dated January 7, 1965)

MEMORANDUM OF UNDERSTANDING JANUARY 7,1965 (as amended by Article IV-Subcontracting of November 27,1991 Imposed Agreement)

Under the provisions of Article VI, Section 18, disputes arising under Article III, Assignment of Work, Article IV, Outlying Points, and Article V, Coupling, Inspection and Testing, are to be handled in accordance with Section 3 of the Railway Labor Act. It is clear that with respect to such disputes subject to handling under Section 3 of the Act any claim or grievance is subject to the time limits and procedural requirements of the Time Limit on Claims Rule.

A different situation exists with respect to disputes arising under Article I - Employee Protection, and Article 11 - Subcontracting. Article VI, Section 1 provides a "Shop Craft Special Board of Adjustment" for the purpose of adjusting and deciding disputes arising out of Article I, Employee Protection, and specifically provides (Article VI, Section 8) that the Board shall have exclusive jurisdiction over disputes between the parties growing out of grievances concerning the interpretation or application of that Article. Article II, Section 4 provides a "Subcontracting Expedited Arbitration Panel" for the purpose of adjusting and deciding disputes arising out of Article II, Subcontracting, and specifically provides that the Panel shall have exclusive jurisdiction over disputes between the parties growing out of grievances concerning the interpretation or application of that Article.

During our negotiations, it was understood by both parties that disputes under Articles I and 11 need not be progressed in the "usual manner" as required under Section 3 of the Railway Labor Act, but could be handled directly with the highest officer in the interest of expeditious handling. Sections 10 through 13 of Articles II and VI set up special time limits to govern the handling of submissions to the Special Boards, thus providing special procedures which are intended to supersede the provisions of the standard Time Limit Rule. Therefore, such disputes being processed to a conclusion through the Shop Craft Special Board or the Subcontracting Expedited Arbitration Panel are not subject to the provisions of the standard Time Limit Rule.

However, if there should be any claims filed for wage loss on behalf of a named claimant arising out of an alleged violation of Article II, Subcontracting (See Section 13 of Article II), such claims for wage loss should be filed promptly and within sixty days of the filing of the alleged violation of Article II, Subcontracting, with the same carrier officer as to whom such violation of Article II was directed by the General Chairman of the craft or crafts involved, or his representative. If such claim is a continuous one, it cannot begin to run prior to the date the claim is presented. If the alleged violation of Article II, Subcontracting, is then submitted to the Subcontracting Expedited Arbitration Panel, it will be considered that the special procedural provisions of Article II have been complied with.

Failure to handle as set forth in the preceding paragraph shall not be considered as a precedent or waiver of the contentions of the carriers or employees as to other similar claims.

(Side Letter # 7, National Agreement dated November 27, 1991)

November 27, 1991

#7

Mr. W. G. Fairchild, President
Brotherhood Railway Carmen -
Division of TCU
4929 Main Street - Carmen's Bldg.
Kansas City, Missouri 64112

Dear Mr. Fairchild:

This is to confirm our understanding regarding the resolution of disputes under Article II of the September 25, 1964 Agreement as amended by Article VI of this Imposed Agreement.

If the parties have not established a forum or forums for before-the-fact arbitration of contracting out disputes by July 29, 1991, any such dispute will proceed on an after-the-fact basis, i.e., the carrier will be free to proceed forthwith with the contracting-out and any dispute maybe progressed to a Public Law Board on an expedited basis, or any other forum on which the parties may mutually agree.

The parties shall meet promptly to reach agreement on language to implement the recommendations of Presidential Emergency Board 219, as interpreted and clarified by Special Board 102-29, on the procedures for arbitrating contracting-out disputes. If complete agreement on language is not reached by the parties by December 15, 1991, the parties shall refer any areas of disagreement to Special Board 102-29 for resolution.

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

Very truly yours
/s/C. 1. Hopkins, Jr.

I agree:

/s/ W. G. Fairchild

(Side Letter # 6, National Agreement dated September 9, 1996)

September 9, 1996
#6

Mr. Richard A. Johnson
General President
. Brotherhood Railway Carmen Division Transportation Communications Union 3
Research Place
Rockville, MD 20850

Dear Mr. Johnson:

This will confirm our understanding regarding the resolution of disputes under Article II of the September 25, 1964 Agreement, as amended by Article VI of the November 27, 1991 Imposed Agreement, and the implementation of the procedures set forth therein for before-the- fact arbitration of contracting out disputes.

We are in agreement that the cost of each arbitrator used pursuant to these procedures shall be handled in the following manner with respect to each carrier:

1. For the first ten (10) claims requiring arbitration, the carrier shall bear the cost of the arbitrator, with each party bearing its own expense.
2. For the next ten (10) claims requiring arbitration, the organization shall bear the cost of the arbitrator, with each party bearing its own expense.
3. Such alternation shall continue for as long as necessary for each succeeding set often claims.
4. A "lead" claim (one on the basis of which the parties have agreed to resolve other claims) will be deemed to constitute one claim for this purpose.

Upon request of the organization, the parties shall meet promptly nationally to reach agreement on language to implement the above-referenced procedures for arbitrating contracting out disputes. If complete agreement on language is not reached by the parties by October 1, 1996, either party may refer any areas of disagreement to resolution by final and binding arbitration. The arbitrator shall be selected by the parties within five (5) days from the date notice of the submission to arbitration is received from the moving party. If they fail to agree, either party may request a list of five potential arbitrators from the National Mediation Board, from which the parties shall select the arbitrator by alternate striking. The order of striking shall be determined by coin flip unless

otherwise agreed by the parties. The fees and expenses of the arbitrator shall be borne equally by the parties.

Until such time as complete language is reached pursuant to this letter to implement the aforementioned procedures, subcontracting disputes shall continue to the handled in accordance with existing resolution procedures.

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

Very truly yours,
/s/Robert F. Allen

I agree:

/s/R. A. Johnson
.,

APPENDIX IV

MASTER TRANSFER AGREEMENT (MTA)

AGREEMENT FOR EMPLOYEE PROTECTION, BENEFITS AND OTHER CONDITIONS APPLICABLE IN COORDINATIONS INVOLVING EMPLOYEES REPRESENTED BY

BROTHERHOOD RAILWAY CARMEN DIVISION TCD

AND

CSX TRANSPORTATION, INC.

WHEREAS: CSXT and employees represented by the Brotherhood Railway Carmen - Division TCD, desirous of reaching an agreement pursuant to Section 5 of the Washington Job Protection Agreement to be effective in the event of a coordination of operations, facilities and employees between any locations within CSXT.

IT IS AGREED:

ARTICLE I

Section 1

Affected Shop Craft employees and their representatives shall be given a minimum of ninety (90) days' notice prior to the effective date of a coordination (by posting thereof on employee bulletin boards at locations affected, with a copy to the General Chairmen and Local Chairmen) of any coordination of operations, facilities and employees between the signatory Carriers. Such notice shall contain a full and adequate statement of the proposed changes to be affected by such coordination.

The date and place of a conference between the representatives of the Carriers and the General Chairman or his representative shall be agreed upon within ten (10) days and conference shall be held within thirty (30) days for the purpose of reviewing the matters contained in the notice and questions arising in connection therewith. The Carriers may, after compliance with the requirement of notice and conference, place the contemplated coordination into effect as hereinafter provided with the understanding that the rights of any employee under the provisions of this Agreement are not adversely affected thereby.

ARTICLE II

Section 1

Where a coordination of operations, facilities and employees between the signatory Carriers results in a transfer of work and employees from one location to another, the selection of forces and assignment of employees shall be made on the following basis

(a) Where there are no job abolishments involved in a coordination of operations and facilities specified in the ninety day notice required by Article I hereof at the location to which work and employees are being transferred, additional positions established in the coordinated operation will accrue to those employees at the location from which work is to be transferred and positions are to be abolished; provided, however, that in the event the additional positions established in the coordinated operation exceed the number of positions abolished, those excess positions will accrue to employees at the location to which work is being transferred.

(b) Where job abolishments occur both at the location to which work is being transferred and at the location from which work is being transferred, because of the coordination specified in the ninety day notice required by Article I hereof, employees at the location to which work is being transferred will fill the positions in the coordinated operation up to and equal the number of positions in existence at that location at the time the ninety day notice is served for the coordination. Positions established in the coordinated operation in excess of those that accrue to employees at the location to which work is being transferred will be filled by employees at the location from which work is being transferred.

(c) In the event employees at the location from which work is being transferred fail to accept positions to which they are entitled at the location to which work is being transferred, such unfilled positions shall then accrue to the employees at the latter locations.

Section 2

(a) Following conference as described in Article I, Section 1, notice will be posted at affected locations showing positions which are to be abolished as a result of the coordination. At the same time, positions to be established effective with the date of coordination in accordance with Article II, Section I, will be bulletined for a period of fifteen (15) days. Successful bidders shall be entitled to the moving and real estate allowances outlined in Article IV, Section 1 where change of residence is involved as defined in Section 3 of Article IV.

(b) Where positions to be established in a coordinated operation accrue to a particular seniority roster, all employees holding assignments on that roster will be eligible to bid for the allocated positions. At the expiration of the fifteen day bulletin period, determination will be made of the employees who have bid and have been awarded a position in the coordinated operation. At the same time, determination will also be made of those employees whose jobs are being abolished as a result of the coordination and who, rather than bid on a position in the coordinated operation, have

elected to exercise displacement rights over junior regularly assigned employees whose positions are not being abolished. Such employees will designate the positions on which they intend to exercise seniority rights and junior employees to be affected thereby shall make the same determination.

(c) In the event any positions advertised in the coordinated operation are not filled in accordance with Paragraph (b), employees whose positions are to be abolished and who have not bid on advertised positions in the coordinated operation or who do not have sufficient seniority or do not elect to exercise seniority on other positions on the roster, and employees who are to be displaced through the exercise of seniority as described in Paragraph (b) and are unable to elect not to exercise seniority on other positions on the roster, will be assigned the unfilled position(s) in the coordinated operation. Unfilled positions which accrue to employees at the location to which work is being transferred will be assigned by recognizing the principle of seniority; unfilled positions which accrue to employees at the location from which work is being transferred will be assigned in the reverse order of seniority and employees so assigned will be subject to the moving and real estate allowances outlined in Article IV, Section 1, where change of residence is involved as defined in Section 3 of Article IV. Such assignment will be by letter signed by the appropriate Carrier officer with copies to the Local Chairman and General Chairman of the craft or crafts involved. An employee so assigned may, if the transfer requires a change of residence as defined in this Agreement, in lieu of transferring, elect to resign subject to the separation procedures of Article IV, Section 2. This election must be exercised within twenty (20) days from the date of written notification by written reply to the Carrier officer with copies to the Local Chairman and General Chairman of the craft or crafts involved. An employee assigned a position who does not elect to resign shall, if he fails to report to the position on the effective date of assignment, or as otherwise arranged with the Carrier officer having jurisdiction at the location where he is to report, except under circumstances beyond his control, forfeit protection under this Agreement.

(d) Junior employee(s) at the location from which " work is being transferred will be assigned in accordance with Paragraph (c) until the position(s) are either filled or until the employees described in such Paragraph (c) are exhausted.

(e) Employees on leave of absence absent account sickness and other approved absences, and also those whose names do not appear on any seniority roster whose claims for reinstatement are pending and are ultimately sustained, who return to service subsequent to the coordination, shall be entitled to whatever rights they may have had had they been present at the time of the coordination. When any such person described above returns to service and exercises seniority rights on a position to which he is entitled, the junior protected employee on the seniority roster to which they exercise their seniority shall revert to his previous status and be afforded such protection for which he would otherwise be entitled.

Section 3

(a) Employees whose jobs are abolished or who are displaced as a result thereof and who have been neither assigned new positions nor offered such positions pursuant to Section 2(a) above, and whose seniority is such that they are unable to hold a position on the seniority roster on which working at the time of coordination, and who are not offered a position under Paragraph (b) hereof, will be paid a dismissal allowance

pursuant to Article III, Section 2. Such an employee, may, at his option, at the time of coordination, resign and be. subject to a separation allowance computed in accordance with Section 9 of the Washington Job Protection Agreement.

(b) Employees described in Paragraph (a) may, at the time of coordination or thereafter during the six year period following a coordination, be offered employment in their craft on any of the Carriers signatory hereto, or comparable employment for which they are physically and mentally qualified on the Carrier on which employed at the time of coordination, and which does not require a change in residence as defined in Article IV, Section 3, if such offer of employment does not infringe upon the rights of other employees under the working agreement. If they decline such offer of employment, they shall forfeit their protection under this Agreement.

Section 4

(a) Employees accepting transfers pursuant to Section 2, above, will have their seniority date, as it appears on the seniority roster at the point from which being transferred, dovetailed on the appropriate roster to which transferred upon reporting for wok, and their names will be removed from the roster from which transferred. Where following this procedure results in two (2) or more employees having the same seniority date on the dovetailed roster, their respective positions on the roster will be determined by continuous service standing and then by lot.

(b) Employees transferring ITom one location to a coordinated operation at another location will be assigned positions at the latter location in accordance with bulletins advertising positions which accrue to such employees; thereafter, changes in the coordinated operation involving the filling of vacancies, abolishing or creating positions and reduction or restoration of force will be governed by application of schedule agreements applicable at the location of the coordinated operation and the dovetailed seniority roster as provided for in Section 4(a), above.

(c) Employees transferred to other employment pursuant to Section 3(b) of this Article II shall establish seniority on the seniority roster to which assigned in accordance with the agreement rules covering the class of service in which employed; such employees shall also retain seniority rights and recall rights on the roster on which working at the time of coordination. If recalled, they must accept such recall or forfeit all seniority on their previous roster.

ARTICLE III

Section 1

(a) No employee involved in a particular coordination under this Agreement who is continued in service shall, for a period equal to his length of service, but not exceeding six (6) years following the effective date of such coordination, be placed, as a result of such coordination, in a worse position with respect to compensation and rules governing working conditions than he occupied at the time of such coordination so long as he is unable in the normal exercise of his seniority rights under applicable agreements, rules and practices to obtain a position producing compensation equal to or exceeding the

compensation of the position held by him at the time of the particular coordination, except, however, that if he fails to exercise his seniority rights to secure another available position, which does not require a change in residence (as defined in Article IV, Section 3), to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated for the purposes of this section as occupying the position which he elects to decline.

(b) The protection afforded by the foregoing paragraph shall be made effective whenever appropriate through what is hereby designated as a "displacement allowance" which shall be determined in each instance in the manner hereinafter described. Any employee entitled to such an allowance is hereinafter referred to as a "displaced" employee.

(c) Each displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee during the last twelve (12) months in which he performed compensated service more than fifty (50) per centum of each of such months, based upon his normal work schedule, immediately preceding the date of his displacement (such twelve months being hereinafter referred to as the "test period") and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation (adjusted to include subsequent general wage increases) and average monthly time paid for which shall be the minimum amounts used to guarantee the displaced employee, and if his compensation in his current position is less in any month in which he performs work than the aforesaid average compensation (adjusted to include subsequent general wage increases), he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the test period.

Section 2

(a) Any employee who is deprived of employment as a result of a coordination described by this Agreement shall be referred to as a "dismissed employee" and shall be paid a monthly dismissal allowance, for a period equal to his length of service but not exceeding six (6) years following the effective date of coordination, equivalent to one-twelfth (1/12) of the compensation received by him in the last twelve (12) months of his employment in which he performed compensated service more than fifty (50) per centum of each of such months, based upon his normal work schedule, prior to the date he is first deprived of employment as a result of the coordination. Such allowance shall also be adjusted to reflect subsequent general wage increases.

(b) The dismissal allowance of any dismissed employee who returns to service shall cease upon the effective day of reemployment as set forth in the recall notice. During the time of such reemployment, he shall be entitled to protection in accordance with the provisions of Section I of this Article III.

(c) The dismissal allowance of any dismissed employee who is otherwise employed shall be reduced to the extent that his combined monthly earnings in such other employment, any benefits received under any unemployment insurance law, and his dismissal allowance exceed the amount of the dismissal allowance as computed under 2(a), above.

(d) The dismissal allowance shall cease prior to the expiration of the protective period in the event of the employee's resignation, death, retirement, dismissal for justifiable cause under existing agreements, failure to return to service after being notified in accordance with the working agreement, or failure to accept a position offered pursuant to Article II, Section 3(b).

(e) In the application of Sections 1 and 2 of this Article ill, overtime refused by an employee otherwise entitled to protective benefits will be credited against the employee only to the extent of such overtime that he stands to be called for under existing overtime rules. Such employee, must, however, mark up for overtime work or he will be treated for the purpose of determining protective payments as though he had requested such overtime.

Section 3

Where employees transfer to a new location in a coordinated operation and have their seniority dovetailed in accordance with Article II, Section 4, resulting in a superior location on the roster to employees then regularly assigned at that location, junior employees holding regular assignments at the location on the day before the coordination, corresponding to the number of senior employees transferring to the coordinated operation, will be subject to the protective benefits set forth in this Article III. Such employees will be identified within thirty (30) days of the coordination and the General Chairman notified accordingly.

Section 4

An employee affected by a coordination including any employee accepting other employment under this Agreement, will be accorded all benefits attached to his previous employment, including but not limited to free transportation, pensions, hospitalization, insurance, etc., to the same degree accorded other employees on his home road in active service except that the matter of free transportation shall be subject to applicable regulations.

Section 5

An employee who is deprived of employment and is receiving a dismissal allowance under Article ill, Section 2, and who has unused vacation time for which he has qualified by virtue of having performed the required number of days of compensated service will not be deprived of the unused vacation time, but vacation pay will be paid in lieu of dismissal allowance for the vacation period. Any employee receiving a dismissal allowance who returns to active service will, while he continues in active service, be credited with the period during which he received dismissal allowance as compensated service for vacation purposes.

Section 6

When an employee representative makes claim that an employee has been adversely affected by a coordination, Carrier shall, upon request, furnish representative or representatives statement showing details of compensation for any period which is in question and in which the employee Claims to have been adversely affected and the Carrier and such representative or representatives will make available to each other any additional records and data bearing upon the claim.

ARTICLE IV

Section 1

(a) Employees electing to transfer to a new point of employment requiring a change of residence as a result of job offers made pursuant to Article II of this Agreement shall be subject to the benefits contained in Sections 10 and 11 of the Washington Job Protection Agreement (or as provided below) and in addition to such benefits shall receive five (5) working days instead of "two working days" provided by Section 10(a) and, shall receive an allowance for any and all other expenses in accordance with the following schedule:

(1) Effective with the date of transfer, an allowance of$500.00;

(2) At the end of 30 weeks of compensated employment, a second allowance of$500.00;

(3) At the end of 60 weeks of compensated employment, a third allowance of $500.00;

The initial allowance provided in (1) above will be paid promptly but in any event not to exceed thirty (30) days from date oft ransfer. Subsequent allowances provided in (2) and (3) will be paid within five (5) days of the expiration of the time periods specified therein.

In the event of death or permanent disability, the affected employee or his estate shall be paid as if he had completed all the prescribed work periods.

(b) Any employee involved in a coordination covered by this Agreement who is retained in service who is required to change the point of his employment as a result of such coordination and is, therefore, required to change his place of residence, may, if he so elects, accept the provisions hereinafter set forth in this Section 1 in lieu of and in full settlement of any claim arising under Section II(a) I and 2, of the so-called Washington Agreement.

(c) Upon the date of notice provided for in Article I, Section 1 hereof, if the employee owns his home or is under contract to purchase a home in the locality from which he is required to move in order to relocate in the locality to which he has been transferred, he shall be compensated by the Carrier at seven percent (7%) of the fair market value of the home in question; and, in addition thereto, ten percent (10%) of his equity of the fair market value of the home in question subject to a maximum equity of $20,000.00 in said home. The employee's equity in his home shall be determined as of the date of notice covering transfer of work plus any increase in equity resulting from normal monthly mortgage payments made between date of notice and effective date of transfer.

(d) An employee electing to claim the provisions set forth in this Section 1 must, within three (3) years from the effective date of the coordination, so notify the Carrier and upon presentation of proper forms to the employee by the Carrier, he must thereafter execute all necessary releases as full settlement of any claim against the Carrier under the provisions of Section 11 (a) 1 and 2, of the Washington Agreement, and of this Section 1.

(e) Should a controversy arise in respect to the fair market value of the home, it shall be decided through joint conference between the employee involved and the Carrier; and in the event they are unable to agree, the dispute may be referred by either party to a Board of three (3) competent real estate appraisers, selected in the following manner: One to be selected by the employee and one by the Carrier, and the two selected shall endeavor to agree upon the third appraiser within ten (10) days, after their appointment or selection. Then, in the event of failure to agree, the Chairman of the Local Board of Realtors shall be requested to appoint the third appraiser. A decision of the majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expense of the Appraisal Board, if any, shall be borne equally by the employee involved and the Carrier. All other expenses shall be paid by the party incurring them (employee or Carrier) including the salary of the appraiser selected by such party.

(f) The Carrier will reimburse employee transferring to a new point of employment under this Agreement for the cost of acquiring license for one automobile, in the state in which he establishes residence incident to transfer, including the use tax and any cost of re-titling such automobile in such state.

(g) An employee transferring to a new point of employment in a coordinated operation will not be required to undergo physical examination incident to such transfer.

Section 2

(a) Employees declining to transfer to a new point of employment requiring a change in residence as a result of job offers made pursuant to Article II of this Agreement shall terminate all seniority and employment relationships as of the effective date of the transfer or as otherwise agreed upon, and will be paid a separation allowance in accordance with the following schedule:

Length of Service	Separation Allowance
Less than one year	5 days' pay at rate of position last occupied
1 year and less than 2 years	3 months' pay
2 years and less than 3 years	6 months' pay
3 years and less than 5 years	9 months' pay

(b) Length of service shall be computed as provided by Section 7 of the Washington Job Protection Agreement.

(c) In determining the above allowance, the specified number of months' pay shall correspond with the particular employee's earnings in an equal number of months immediately proceeding his last date of compensated service.

(d) Employees who have attained age sixty-two (62) and who are qualified for Railroad Retirement benefits without actuarial reductions shall have any separation allowance reduced in accordance with the following schedule:

Age	Less
62	15%
63	25%
64	50%
65 and over	75%

For the purposes of this provision, ages shall be those shown in the records of the employing Carrier.

Section 3

In applying Sections 1 and 2 of this Article IV, as well as the other provisions of this Agreement, an employee will be considered as being required to change his residence when he is required to transfer to a new point of employment which is outside a radius of thirty (30) miles from his former work location and is also located further from his residence than is his former work location.

ARTICLE V

Section 1

For the purpose of this Agreement, Section 13 of the Washington Job Protection Agreement shall be inapplicable and the following provisions shall apply to all disputes and controversies.

In the event any dispute or controversy arises between any of the Carriers and any labor organization signatory to this Agreement with respect to the interpretation or application of any provisions of this Agreement or of the Washington Job Protection Agreement (except as defined in Section 1 I (d) thereof or Article IV, Section 1, of this Agreement as the case may be) or any implementing agreement which may be entered into by the parties signatory hereto which cannot be settled by said Carriers and the labor organization, parties hereto within thirty (30) days after the dispute arises, such dispute may be referred by either party to a Public Law Board for adjudication or as otherwise agreed to by the parties. However, this is not to be construed that such dispute must be resolved before the Carriers may implement a coordination under this Agreement.

To expedite adjudication of any dispute, it is further understood that such dispute will be handled by the General Chairman and the highest designated officer of the Carrier or their duly authorized representatives without regard to the standard rules of the Agreement governing the handling of claims and grievances.

ARTICLE VI

There shall be no duplication of monetary benefits receivable by an employee under this Agreement and any other agreement or protective arrangement. In the event monetary benefits may be due an employee under this Agreement and other agreements or protective arrangements, such employee shall, not later than thirty (30) days after having been so notified in writing by Carrier, with a copy to the General Chairman, make an election in writing as to whether he desires to retain the monetary benefits available to him under any of the other agreements or protective arrangements or to receive the monetary benefits provided under the provisions of this Agreement. In the event the employee fails to make such election within the said 30-day period, he shall be entitled to the monetary benefits payable under the provisions of this Agreement, and the duplicating monetary benefits under any of the other agreements shall have no application to such employee. An employee eligible to receive monetary benefits under any of the other agreements shall, irrespective of the election made, be subject to and shall be governed by all of the other provisions of this Agreement.

In the event of any conflict between the provisions of this Agreement and prior employee protective agreements or protective arrangements, the provisions hereof shall govern as to all matters arising out of or incidental to coordination's of Carrier's pursuant to this Agreement.

ARTICLE VII

MEMORANDUM OF UNDERSTANDING

RE: ARTICLE V - SECTION 1 – DISPUTES

PROCEDURE

This Memorandum of Understanding is attached to and made a part of the Agreement for Protection of Employees represented by The Brotherhood Railway Carmen in connection with coordinations.

Upon notice in writing served by one party on the other of intent by that party to refer the dispute or controversy to a Public Law Board, each party shall within ten (10) days, select a member or members of the Board; and the members thus chosen shall endeavor to select a neutral member who shall serve as Chairman, in which event the compensation and expenses of the Chairman shall be borne equally by the parties to the proceeding. All other expenses shall be borne by the party incurring them. Should the members designated by the parties be unable to agree upon the appointment of the neutral member within ten (10) days, either party may request the National Mediation Board to appoint the neutral member, whose compensation and expenses shall be paid in accordance with existing laws. All other expenses shall be borne by the party incurring them. If any party fails to select its member of the Board within the prescribed time limit, the representative of such party signatory' to this agreement or his designated representative shall be

deemed to be the selected member and the committee shall then function and its decision shall have the same force and effect as though all parties had selected their members. The Committee shall meet within fifteen (15) days after selection or appointment ofthe neutral member and shall render its decision within sixty (60) days thereafter. The decision of the majority of the Board shall be final and binding, except that in any case in which there is an unequal number of carrier and organization members of the Board, the decision of the neutral member shall be final and binding.

In the event of any dispute as to whether or not a particular employee was affected by a coordination described in this agreement, it shall be his or the General Chairman's obligation to identify the coordination and specify the pertinent facts of that coordination relied upon. It shall then be the carrier's burden to prove that factors other than a described coordination affected the employee.

ARTICLE VIII

MEMORANDUM OF UNDERSTANDING

RE: SUPERVISORY AND EXCEPTED PERSONNEL

This Memorandum of Understanding is attached to and made a part of the Agreement for Protection of Employees represented by the Brotherhood Railway Carmen in connection with coordinations of former CSXT roads (C&O, B&O, B&OCT, L&N, SCL, CRR and WM) operation, facilities and employees.

If, subsequent to the effective date of the Agreement to which this is attached, officials, supervisory or fully excepted personnel should exercise their seniority rights in a craft or class of employees protected under said Agreement, then, during the period such seniority is exercised, such officials, supervisory or fully excepted personnel shall be entitled to the same protection afforded by the said agreement to employees in the craft or class in which such seniority is exercised, and no employee subject to said Agreement shall be placed in a worse position with respect to compensation, rules, working conditions, fringe benefits, or rights and privileges pertaining thereto, by the return of the official, supervisory or fully excepted personnel to work under the schedule agreement.

APPENDIX V

UNION SHOP AGREEMENT

Section 1.

In accordance with and subject to the teems and conditions hereinafter set forth, all Carman Craft employees of CSX Transportation, Inc. 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 classification 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 he 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.

(a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their classification and who 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 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 Agreement 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 classification within thirty-five calendar days from date of their return to such 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 purpose of applying this Agreement.

(c) Employees who retain seniority under the Rules and Working Conditions Agreements governing their classification and who, for reasons other than those specified in subsections (1) 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 Agreement, 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 classification.

(d) Employees who retain seniority under the Rules and Working Conditions Agreements of their classification, who are members of an Organization signatory hereto representing that classification and who in accordance with the Rules and Working Conditions Agreement of that classification 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 classification until the date the employees hold regularly assigned positions within the scope of the Agreement covering such other class of service.

Section 3.

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 of 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 4.

(a) Each employee covered by the provisions of this Agreement shall be considered by CSXT, Inc. (herein after referred to as 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 in duplicate by Registered Mail or Certified 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 Organization therefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the Carrier and the Organization 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 or Certified 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 he 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 Carrier, in writing by Registered Mail or Certified Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him 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 therefor. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the Organization, by Registered Mail or Certified 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 his 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 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 or Certified Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this Agreement, his 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.

If the decision is not satisfactory to the employee or to the Organization it may be appealed in writing, by Registered Mail or Certified 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 or Certified 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 or Certified Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this Agreement, his 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 a neutral person to decide the dispute as provided in Section 4(c) below. Any request for selection of neutral person as provided in Section 4(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 designated officer in writing by Registered Mail or Certified 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 his designated Representative, the Chief Executive of the Organization or his designated Representative, and the employee involved or his Representative. If they are unable to agree upon the selection of a neutral person, anyone 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 his 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 or Certified 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.

(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 5.

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 4, 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 displace or unless the position is abolished. The above periods may be extended by agreement between the Carrier and the Organization involved.

Section 6.

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 5 shall have no time or money claims by reason thereof.

If the final determination under Section 4 of this Agreement is that an employee's seniority and employment in a classification 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 5, or while such determination may be stayed in 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 hereto 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 4 of this Agreement is that an employee's employment and seniority shall not be terminated, his 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 7.

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, 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 involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in which case such 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 8.

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

Section 9.

The Carrier party to this Agreement 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 Organization, 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 section shall not be effective with respect to any individual employee until he shall have 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 year or upon the termination of this Agreement, whichever occurs sooner.

APPENDIX VI
DEDUCTION AGREEMENT

In accordance with the provisions of Article II of National Agreement signed at Washington, D.C. on May 10, 1973, the following Agreement is entered into effective April 1, 1974, between CSX Transportation, Inc., hereinafter referred to as "Carrier", and employees of said Carrier represented by the Brotherhood of Railway Carman of the United States and Canada (Brotherhood Railway Carmen Division - Transportation Communications International Union), herein after referred to as "Brotherhood". This agreement, know as the "DEDUCTION AGREEMENT", Witnesseth:

1. It is agreed that the Carrier will, in accordance with and subject to the tenns and conditions of this Deduction Agreement, deduct from the wages due to each employee represented by the Brotherhood, from whom it receives a valid written wage assignment described in Paragraph 2, an amount each month, during the continuance in effect of his assignment, which shall be equal to the aggregate of the amounts to be paid by such employee to the Brotherhood for initiation fees, dues and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such Brotherhood. Brotherhood insurance premiums may be included in the said amount.
2. No such deductions as fixed by Paragraph 1 shall be made from the wages of an employee until after execution by the employee and delivery by the Brotherhood to the Carriers of a written wage assignment in the manner and form hereinafter provided in Attachment "A", which is made a part hereof, it being an assignment of the amount of such initiation fees, dues, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such Brotherhood. Where the employee carries Brotherhood insurance the insurance premiums may be included in such assignment. The wage assignment shall be revocable after the expiration of one (1) year from the date of its execution and the revocation shall be executive on a form identical with that appearing in Attachment "B", which is made a part hereof.

The Carriers shall have no responsibility or obligation whatsoever in connection with the procurement and the execution of such forms by employees and the Brotherhood shall arrange for the delivery of the executed forms to the Carriers. The necessary assignment and revocation forms shall be delivered, with the deduction list hereinafter provided for, to the Carriers not later than the 15th day of the month in which the deduction, or termination of deduction, is to be made effective by the Carriers.

3 (a) Deductions as provided for herein will be made by the Carriers in accordance with deduction lists furnished to it by the Brotherhood. Such lists shall be furnished to the Carriers on or before the 15th day of the month in which the specified earnings are to be subject to the deductions listed thereon, by delivery to the payroll making office designated by the Carrier, and each such list shall be in the form and shall contain the

information specified in Attachment "C", which is made a part hereof. The secretary of each Lodge shall furnish to the Carriers also the name of the Financial Secretary authorized to sign the deduction list of each Lodge, together with three (3) original signatures of each of them and advise promptly in the event of change. Such deduction lists shall not be subject to revision or change after delivery to the Carrier, nor shall any deductions as herein provided for be made except on the basis of such deduction lists.

(b) After the initial list has been submitted on Attachment "C", together with Attachments "A", subsequent monthly deductions will be based on the initial Attachment "Coo. Any changes from the initial statement, such as additions, change in amount of deduction and/or deletions, must be shown on Attachment "COO form and furnished to Carrier on or before the 15th day of the month in which the change is to be made. In the case of deletions, Attachment "Boo, properly executed, must be attached. Dues deduction amounts may not be changed more often than once every three (3) months.

4. The amounts contained in said deduction lists for individual employees shall, wherever possible remain the same from one payroll period to the next. In cases where the amounts shown for individual employees are changed, the Brotherhood shall indicate this fact by a suitable symbol opposite the name of the employees involved. No deduction will be made for any employee for whom an entry on the deduction list is incomplete, illegible, or otherwise doubtful. Entries for individual employees may be considered incomplete unless the list contains the information required as specified in Attachment "COO, which is made a part hereof.

5 (a) Deductions as provided for herein will be made by the Carrier only from wages due to employees for work during the "A" payroll period of the calendar months, and the Carrier will remit by check to the Brotherhood the total of such deductions. Such remittance check shall be made out to and mailed to the Financial Secretary of the Brotherhood on or before the 25th day of the succeeding month. The Carrier will furnish uniform alphabetical deduction lists (in triplicate) for each local unit each month showing thereon the employee's name, Social Security or payroll identification number and the amount of union dues deducted from the pay of each employee.

(b) No deductions will be accumulated or carried over from month to month for any reasons whatsoever by the Carrier. In the event of any error by the Carrier in the amount of its remittance to the Brotherhood, if such error is not otherwise adjusted prior to the dispatch of the remittance the following month, the Carrier will be permitted to adjust the amount of succeeding remittances to correct the error.

(c) In the event of any excess or shortage in said deduction for an individual employee, said excess or shortage will be subject to adjustment by the Brotherhood and the individual employee.

6. The Carrier will not make a deduction from the wages of any employee who does not have due to him for the "A" payroll period of the calendar month an amount equal to the sum to be deducted in accordance with the agreement, after first deducting, as priority deductions, amounts due in the following categories.

    (a) Amounts due the Carrier by the individual
    (b) Federal, State and Municipal taxes
    (c) Other deductions required by law, such as garnishments and attachments
    (d) Premiums on any life insurance, hospital-surgical insurance
    (e) Group accident or health insurance, or group annuities

7. Responsibility of Carriers under this agreement shall be limited to remitting to the Brotherhood amounts actually deducted from wages of the employee for making deductions specified on a deduction list of for failure to do so. Any question arising as to the correctness of the amount listed and deducted shall be handled between the employee involved and the Brotherhood unless the Carrier, recognizing a mathematical mistake by it, elects to make direct adjustment pursuant to the second paragraph of paragraph above.

8. No part of this agreement shall be used in any manner whatsoever either directly or indirectly, as a basis for a grievance or time claim by or in behalf of any employee; likewise, no part of any other agreement between the Carrier and the Brotherhood shall be used as a basis for grievance or time claim, by or in behalf of any employee predicated upon compliance or failure to comply with the provisions of this agreement.

9. The Brotherhood shall indemnify, defend and save harmless the Carrier from any and all claims, demands, liability, losses, or damage resulting from the making of this agreement or from compliance or failure to comply with the provisions thereof.

10. In the event of any change in the representation of any craft or class of employees covered by the deduction lists submitted under this agreement, the said agreement shall automatically terminate as to such employees from the date that the official notification is received from the National Mediation Board of such change.

Except as specified in the preceding paragraph, this agreement shall remain in full force and effect until changed as provided in the Railway Labor Act.

ADDENDUM TO UNION DUES DEDUCTION AGREEMENT

In accordance with the provisions of the Voluntary Payroll Deduction of Political Contributions Agreement signed June 21, 1979, between carriers represented by the National Railway Labor Conference and the employees of said carriers represented by the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of Electrical Workers; Brotherhood Railway Cannen of the United States and Canada, and the International Brotherhood of Firemen and Oilers, operating through the Railway Employees' Department, AFL-CIO, the parties hereby amend the Dues Deduction Agreement of April 1 , 1974 as amended, to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and bases:

1 (a) Subject to 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 and designated "Attachment A" and made a part hereof

(b) 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 for a minimum of twelve (12) months and thereafter until canceled by thirty (30) days advance written notice from the employee to the Brotherhood and the carrier by Registered Mail. Changes in the amount to be deducted will be limited to one change in each l2-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 his designated representative shall furnish the carrier, with copy to appropriate units of the Brotherhood, an initial statement by lodges, certified by him, listing employees in alphabetical order showing the employee's name (last, first and middle initial), Company identification number and the amount of deduction to be made from each employee's pay, 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 employee's pay. If the earnings of the employee are insufficient in that pay period to permit the full amount of the deduction, no voluntary political contribution deduction will be made for that month. In the event of any excess or shortage in said deduction for an individual employee, said

excess or shortage will be subject to adjustment by the Brotherhood and the individual employee.

4. Concurrent with making remittance to the Organization of monthly membership dues, the carrier will make separate remittance of voluntary political contributions to the officer of the organization's Political League designated to receive same, 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 following payroll deductions will have priority over the deductions as covered by this Addendum to Dues Deduction Agreement:

   (a) Amounts due the Carrier by the individual.
   (b) Federal, State and Municipal Taxes.
   (c) Other deductions required by law such as garnishments and attachments.
   (d) Premiums on any life insurance, hospital-surgical insurance.
   (e) Group accident or health insurance or group annuities.
   (f) Union dues as covered by the Dues Deduction Agreement.

6. The requirements of this agreement shall not be effective 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.

APPENDIX VII

PAYMENTS TO EMPLOYEES INJURED UNDER CERTAIN CIRCUMSTANCES

(Article IV -10/7/1971 National Agreement, as amended by Article VII -12/6/1978 National Agreement, as further amended effective 4/1/03 by Article IV of the 1/23/03 Arbitrated National Agreement)

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 anyone of the losses enumerated in subparagraphs (1), (2) and (3) below, results from an injury sustained directly from an accident 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 Police Contract GA-23 000 of The Traveler's 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);

Loss of Life	$300,000
Loss of Both Hands	$300,000
Loss of Both Feet	$300,000
Loss of Sight of Both Eyes	$300,000
Loss of One Hand and One Foot	$300,000
Loss of One Hand and Sight of One Eye	$300,000
Loss of One Foot and Sight of One Eye	$300,000
Loss of One Hand or One Foot or Sight of One Eye	$150,000

"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.

No more than $300,000 will be paid under this paragraph to anyone employee or his personal representative as a result of anyone 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 anyone 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) 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 $10,000,000 for anyone accident and the Carrier shall not be liable for any amount in excess of$l 0,000,000 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 hereunder 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 is to provide a guaranteed recovery by an employee or his personal representative under the circumstances described, and that receipt of payment there under 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 January 1, 1972.

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 IV of the Agreement of October 7, 1971,

_____,
(Employee or personal representative)

agrees to be governed by all of the conditions and provisions said and set forth by Article IV."

Savings Clause

This Article supersedes as of January 1, 1972, 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 December 1, 1971, elect to preserve in its entirety an existing Agreement providing accident benefits of the type provided in this Article in lieu of this Article.

APPENDIX VIII

JURISDICTIONAL DISPUTE PROCEDURE

(a) It is agreed that no General Chairman, or other Officer, representative or member or the Organization will individually request Management to take work from one craft and give it to another craft.

(b) It is agreed that the Organizations will find a way to reach an agreement and settle any dispute that may arise between any two crafts involving jurisdiction of work, and when such dispute has thus been settled, then request will be presented to Management for conference to negotiate the acceptance by Management of the settlement thus made.

(c) It is agreed to and recognized that each craft shall perform the work which was generally recognized as work belonging to that craft prior to introduction of any new process, and that the introduction of a new process does not give any craft the right to claim the exclusive use of a process or tool, in order to secure for itself work which it did not formerly perform.

(d) If a disagreement arises between two or more crafts as to proper application of (c) above, then the craft performing the work at the time of the change of the process or tool shall continue to do the work until the Organizations involved have settled the dispute and have presented such settlement to the Management.

(e) After agreement on this question has been arrived at, it is desired that Carrier furnish necessary copies of same to proper Officers and representatives of Management; and, at the same time, the Organizations will furnish copies for their distribution to local lodges.

APPENDIX IX

INCIDENTAL WORK RULE

(Article V, 11/27/91 National Agreement)

Section 1.

The coverage of the Incidental Work Rule is expanded to include all shop craft employees represented by the organization party hereto and shall read as follows:

> "Where a shop craft employee or employees are performing a work assignment, the completion of which calls for the performance of "incidental work" (as hereinafter defined) covered by the classification of work or scope rules of another craft or crafts, such shop craft employee or employees may be required, so far as they are capable, to perform such incidental work provided it does not comprise a preponderant part of the total amount of work involved in the assignment. Work shall be regarded as "incidental" when it involves the removal and replacing or the disconnecting and connecting of parts and appliances such as wires, piping, covers, shielding and other appurtenances from or near the main work assignment in order to accomplish that assignment, and shall include simple tasks that require neither special training nor special tools. Incidental work shall be considered to comprise a preponderant part of the assignment when the time normally required to accomplish it exceeds the time normally required to accomplish the main work assignment.
>
> "In addition to the above, simple tasks may be assigned to any craft employee capable of performing them for a maximum of two hours per shift. Such hours are not to be considered when determining what constitutes a 'preponderant part of the assignment.'
>
> "If there is a dispute as to whether or not work comprises a 'preponderant part' of a work assignment the carrier may nevertheless assign the work as it feels it should be assigned and proceed or continue with the work and assignment in question; however, the Shop Committee may request that the assignment be timed by the parties to determine whether or not the time required to perform the incidental work exceeds the time required to perform the main work assignment. If it does, a claim will be honored by the carrier for the actual time at pro rata rates required to perform the incidental work."

Section 2.

Nothing in this Article is intended to restrict any of the existing rights of a carrier.

APPENDIX X
STUDENT MECHANIC PROGRAM

ARTICLE I - RULES

All rules, agreements and practices presently in effect and applicable to employees covered by this Agreement on CSX Transportation, Inc., and its former properties are hereby revised and amended to give effect to the rules contained herein. The rules contained herein shall govern in all cases when, and if, in conflict with other rules or agreements in effect.

ARTICLE II - STUDENT MECHANIC TRAINING

Section 1. Training Period - Time Computation

Student Mechanics shall serve six (6) training periods totaling 732 days. Each period shall consist of 122 days. All actual time worked shall be counted in computing the I 22-day periods, i.e. twelve (12) actual hours worked in one time card day shall be counted as 1 Y2 days, four (4) hours shall count as one-half day, etc., with 30 minutes or more counted as one hour, and less than 30 minutes dropped.

All time worked as a promoted Student shall be counted in accordance with preceding paragraph toward completion of the individual's training period.

Section 2. Probationary Period

All Student Mechanics shall be subject to a probationary period of 122 working days, during which they may be dropped at any time they are determined by the Company to show insufficient aptitude or interest to learn the trade. However, when a Student Mechanic is to be dropped after the 615t day of the probationary period, 5 calendar days' notice will be given to the employee and the Local Chairman. Nothing in this agreement shall be construed as prohibiting a student mechanic from being dismissed or dropped from the Student Mechanic program through applicable discipline procedures for cause, subsequent to the probationary period.

Section 3. Student Mechanic Program Completion

The Student Mechanic program shall be considered complete at the end of the tour of duty on the day on which the student mechanic completes the required number of days of service.

ARTICLE III - SENIORITY AND TRANSFERS

Section 1. Seniority

Students will hold seniority as such among themselves as of the first day payrolled as a Student. When two or more students have the same payroll date, their numerical position will govern. In arranging the numerical standing for each employee, preference will be given the one with (1) the most seniority in the Mechanical Department, (2) the one with the greater amount of prior service with the Company, (3) the earliest birth date, and (4) the date of their application for job as a Student Mechanic. Such seniority will be utilized only for the purposes of vacation selection and reductions in force.

Upon satisfactory completion of their Student Mechanic time, Students will be placed on the Journeyman Mechanics' seniority roster of their craft at their home point.

Student Mechanics furloughed at their home point who transfer to another point in accordance with Rule 13 and complete the Student Mechanic Training Program while still working at the point to which transferred will establish journeyman's seniority at their home point in accordance with paragraph 2 above. Additionally, they will establish seniority at the point at which they are working. When such employee stands for recall to service at their home point, they must at that time make an election as to which seniority they will retain.

(a) Effective on July 1, 1988 all rules and agreements covering Apprentices, student mechanics, upgraded helpers, and other non-journeyman employees performing Carman's work shall be revised and amended to provide that a number of hours at such work equivalent to 732 eight (8) hour days (5856 hours) shall constitute the training period, or the number of days of service at Carman's work required to become a Carman. Seniority as a Carman will be established on the date of the training period (or 732 days of service at Carman's work) is competed (see also Rule 40 and Article VI - Seniority ofthe 1/23/03 Arbitrated Agreement).

(b) The purpose of this Agreement is to eliminate the retroactive seniority provisions of any such previous rules or agreements.

(c) In no event will a student mechanic establish a seniority date in a roster position superior to that of an employee who has previously established seniority on the same date.

(d) In the event that the 732 days provided for herein would give two Student Mechanics with the same home point the same mechanics seniority date, their respective positions on the mechanic seniority roster will be determined by and in the same order as their standing on the student mechanic seniority roster.

Section 2. Transfers

Except as provided in this Agreement, Student Mechanics shall not be allowed to transfer from their "home" point (point of initial employment as student mechanic) unless special

written provision is made therefore between the General Chairman and the appropriate Labor Relations Officer during periods of furlough. Student Mechanics working at a location other than their home point must, upon recall, return to their home point. Failure to return to home point within ten (10) days will result in forfeiture of all seniority as student mechanic. In the event a student mechanic completes the Student Mechanic Program while working at a location other than his home point, the student mechanic shall establish seniority in accordance with the provisions of Section 1 of this Article III and shall, thereafter, be governed by the provisions of the Schedule Agreement.

ARTICLE IV - TRAINING

Section 1. Orientation - Basic Training

Upon entering the Student Mechanic program, student mechanics without previous railroad experience and those who have had less than 30 days service with the Carrier in another capacity shall spend 30 days, or the remainder of a 30-day period, of the first period at the point employed for orientation and basic training. This phase of the program may be extended, but not beyond a maximum of 60 days, dependent upon the progress of the employee, training capacity and scheduling at designated training centers, service requirements at the point of employment, etc.

Section 2. Technical Training

Technical training may be conducted at training facilities designated by the Company or at other schools and facilities designated by the Company. The training center will be adequately equipped and staffed to provide academic and laboratory instruction encompassing the theory and practical application of the functions of the trade. All student mechanics employed subsequent to the effective date of this agreement may spend not less than 10 nor more than 15 working days at a technical training center during each of the first, second, third and fourth periods with the actual time to be determined by the progress of the employee, training capacity and scheduling at the training center, service requirements, etc. In individual cases, however, the total technical training period (60 days) may be extended by a maximum of 15 work days with the extension in any period not to exceed 5 work days, if deemed necessary by management at the center.

Student mechanics in service prior to the effective date of this agreement may be sent to technical training facilities for training not previously received provided sufficient time remains in their Student Mechanic time.

In the application of this Section 2, a "training facility" will be understood to mean designated Shops, Laboratories, Schools or General Offices where appropriate technical training may be given on or off the property.

Section 3. On-the-Job Training – Overtime

In conjunction with the technical training phases of the program, student mechanics shall receive on-the-job training at the their home point under the direction of a journeyman mechanic. Two student mechanics shall not be worked together as partners. It is understood that as a student of the trade the student mechanic will be performing

productive work but the student mechanic shall not be used to fill positions normally occupied by a journeyman to the detriment of any journeyman on the roster at that point. A student mechanic shall not be permitted to work overtime unless all available mechanics on the overtime call list have been called. In the event it becomes necessary for student mechanics to work overtime, such overtime will be distributed in accordance with the Schedule Agreement and student mechanics will be paid their own rate straight time for straight time hours and overtime for overtime hours in accordance with the Schedule Agreement.

Section 4. Training Schedules

For each point where student mechanics are employed or given student mechanic training, a training schedule shall be issued from time to time which will be designated as a guide to be followed as closely as possible. The training schedule shall include a specified number of workdays to be spent in each particular gang or location and the skills to be acquired during such period. Upon completion of the specified number for work days, the student mechanic will be moved to the next location or gang unless mutual agreement is reached between the Local Officer and the Local Chairman that additional time in any particular location is needed. Copy of the training schedule and subsequent revisions shall be furnished to the student mechanic and the Local and General Chairmen.

It is recognized that because the facilities and work vary from point to point, the training schedules will vary accordingly in order to properly train the student mechanic for the work most likely to be required as a mechanic. However, each student mechanic will receive, at least, primary instruction and training in all possible branches of the trade.

Section 5. Hours and Days of Assignment

During the first two (2) periods, student mechanics will be assigned on the first shift, Monday through Friday, with rest days of Saturday and Sunday, if possible; otherwise the student mechanic may be assigned the same hours and days as journeyman mechanics at the point by agreement between the General Chairman and the appropriate Labor Relations Officer. During the technical training periods, the assignment shall be Monday through Friday on the first shift with compensation at the straight time rate regardless of the hours and days of regular assignment at home point. After the first two (2) periods and between the technical training periods in the third and succeeding periods, student mechanics may be assigned the same starting times, hours and work weeks to which journeyman mechanics are assigned at the facility provided, however, that not more than one student mechanic will be assigned to work under the direction of a journeyman mechanic at any given time. If more than one (1) student mechanic is assigned at a point, the principle of seniority shall be observed with regard to preference to hours and days of assignment so long as there is no adverse affect on the training to be received. The Company will not be required to pay punitive rate or be put to any additional expense due to student mechanics changing shifts or days of assignment.

Section 6. Student Mechanic to Mechanic Ratio

The ratio of student mechanics to mechanics shall not exceed one (1) student mechanic to five (5) journeyman mechanics at the facility unless otherwise agreed upon between the appropriate Labor Relations Officer and the General Chairman. If more than one (1) student mechanic is assigned at a point, the ratio of student mechanics to mechanics shall not exceed one (1) student mechanic to five (5) journeyman mechanics at the facility on the second or third shifts unless otherwise agreed upon between the appropriate Labor Relations Officer and the General Chairman.

Section 7. Correspondence Instructions

Each student mechanic, including those upgraded to mechanic-tentative, will receive and complete a course of instruction on the technical subjects related to the trade, the cost of which shall be paid by the Company. This related instruction shall be equal in substance to the program currently in effect from the Railway Educational Bureau. The Company will pay for the cost of any drawing instruments and supplies, which will become the property of the student mechanic upon satisfactory completion of the student mechanic program. If the student mechanic program is terminated for any reason prior to completion, the drawing instruments and unused supplies shall be returned to the Company in good condition or the cost may be deducted from the employee's wages due. Student mechanics, including those upgraded to mechanic-tentative, must complete a minimum of two (2) lessons each month and must receive a grade of75% or more to be considered proficient. Student mechanics who do not maintain the above schedule of two lessons each month, will be considered delinquent and not in good standing. Student mechanics not in good standing and who are delinquent for one (1) or two (2) months can clear their records by completing and forwarding the lessons in arrears to the educational institution in addition to the two lessons required each month.

(a) Student mechanics who are two (2) months delinquent in their lessons will be withheld from service until all delinquencies are cleared.

(b) Student mechanics accumulating three (3) months of uncleared delinquencies will not be retained in the service as Student mechanics. However, should the student mechanic or the General Chairman subsequently contend that the student mechanic's name was removed from the roster improperly, a hearing will be held, with the Organization notified in advance thereof, to develop the full facts and make determination as to the merits of the employee's contention.

Student mechanics who become delinquent under paragraphs (a) and/or (b) above will be notified in writing with a copy to the Local Chairman. Separate notice will be served under each paragraph.

ARTICLE V - TRANSFERS. TRANSPORTATION AND EXPENSES

Section 1. Transfers

It is recognized that temporary transfers may be necessary to provide the student mechanic training in the various phases of the trade. When such a transfer is to a facility more than 30 miles from the student mechanic's home point (point of initial employment as student mechanic), fifteen calendar days' advance notice will be given, and transportation and expenses will be furnished as herein provided.

Section 2. Transportation

Transportation for the trips involved in transferring the student mechanic to the away-from-home point and for the return trips for the transfer back to home point will be furnished or arranged by the Carrier or, at the Carrier's option, the Carrier's authorized rate per mile will be paid for the round trips if the student mechanic is permitted to drive a personal vehicle. In addition, for the round trips, student mechanics shall be allowed the straight time hourly rate of pay while traveling during their regular working hours of their workweek at home point. If instructed to travel outside of their regularly assigned work hours, student mechanics will be allowed the straight time hourly rate of pay for such travel.

Section 3. Expenses (Meals and Lodging)

Reasonable and necessary meal and lodging expenses for the student mechanic while temporarily transferred as specified in this Article V will be paid by the Company. The Company may, at its option:

(a) Allow reasonable and necessary actual expenses,
(b) Designate places of lodging and meals and have reasonable and necessary actual expenses billed direct to the Company, or
(c) Cover the employee's expenses through a combination of the above.

ARTICLE VI - RATES OF PAY

Section 1. Rate Schedule

The schedule of basic rates detailed in Rule 33, "Rates of Pay," and Appendix "I", is to be applied to those falling within the purview of this Appendix.

Section 2. Wage Increases

Rates specified in Section I, above, will be subject to subsequent general wage increases in basic rates as negotiated.

Section 3. Retention of present rates - Student Mechanics in service prior to the effective date of this agreement

Student mechanics in service prior to the effective date of this agreement shall not have their existing rate of pay reduced as a result of a change in the period in which working when prior service time is converted to conform to the time periods specified herein in accordance with ARTICLE II, Section 3.

ARTICLE VII - RULES

It is agreed that all previous rules, agreements, and practices, on all former properties comprising CSX Transportation, Inc., providing for the upgrading of student mechanics, apprentices and helpers to mechanics-tentative or temporary mechanics and previous agreements providing for the establishment of seniority of such employees as tentative or temporary mechanic are hereby cancelled and the rules contained herein will govern as of the effective date of this Agreement.

UPGRADING

Section 1. Upgrading Order

In the event of not being able to employ mechanics with three years' experience at the trade who are of good moral character and habits, qualified student mechanics of the craft may be advanced to "mechanic-tentative" in accordance with their seniority. If this does not provide sufficient employees to do the work, persons who have had experience in the use of tools may be employed. Such employees will not be retained in service as tentative mechanics when qualified three-year mechanics become available.

Section 2. Qualifications

(a) Qualifications will be subject to mutual understanding between the local officer and local committee. Should the local officer and local committee fail to agree as to the qualifications of any candidate for upgrading, such candidate will be given a fair trial, not to exceed 3 days, after which the employee may be continued in the upgraded status or set back to their previous classification at the discretion of the local officer.

Section 3. Return to Former Classification

(a) Student mechanics advanced under this Agreement will be subject to a probationary period of 60 work days in the upgraded status.

(b) Employees promoted under this Agreement will lose all rights to the job they left and if returned to their former classification, Student mechanic, by election or failure to qualify for the position to which promoted, they will be compelled to take whatever position may be open in their craft and class, if no such vacancy exists, may displace the junior employee on the applicable roster, seniority being sufficient, after which the provisions of the applicable Student Mechanic or Schedule Agreement will govern.

(c) Employees returned to their former classification under paragraph (b) above will forfeit all tentative mechanic seniority accumulated and will not again be considered for upgrading except by special written agreement between the General Chairman and the apprpriate Labor Relations officer.

Section 4. Training

(a) Student mechanics advanced under this agreement must complete 732 days of actual service as student mechanic and/or tentative mechanic as outlined in Article II, Section 1.

(b) Notwithstanding seniority and/or positions held under the provisions of the Schedule Agreement, employees advanced to tentative status may be moved to other positions for training purposes as required. However, this provision shall not be construed to mean that a journeyman mechanic may be removed, from any position held under the provisions of the Schedule Agreement for the purpose of training an upgraded employee on the journeyman's position.

Section 5. Filling Vacancies

(a) Day by day vacancies of less than ten days' duration will not be filled by promoting Student mechanics except in emergencies.

(b) Vacancies of ten (10) days or more duration may filled by promoting student mechanics.

Section 6. Pay While Upgraded

(a) Employees will not be paid overtime for changing shifts when moved for training purposes under Section 4(b) above or in the event of return to their former classification under Section 3 above.

(b) The schedule of basic rates detailed in Rule 33, "Rates of Pay" and Appendix "I", is to be applied to those falling within the purview of this Appendix.

(c) Rates specified in Section (b) above will be subject to subsequent general wage increases in basic rates as negotiated.

ARTICLE VIII - SENIORITY

Section 1. Seniority Retention - Student Mechanic

Student mechanics advanced under this agreement will retain their respective seniority as student mechanics and may use such seniority. When qualified three year mechanics become available, mechanic-tentatives will set back in reverse order of their standing on the "Student Mechanics" roster. Mechanic-tentatives may be displaced by any furloughed journeyman mechanic. However, all such student mechanics seniority shall automatically terminate upon establishment of journeyman mechanics seniority.

Section 2. Seniority as Mechanic-Tentative

(a) All promoted student mechanics will be designated as "mechanic-tentative."

(b) A common seniority roster, by craft, (such as Carman- Tentative) and seniority point, will be established, or maintained, on which will be shown the names of all upgraded student mechanics.

(c) Mechanics-tentative will be shown on the common roster, in the order in which upgraded, with a seniority date and standing as of the date of upgrading.

(d) Mechanic-tentative seniority will be utilized only while in the upgraded status and only for purposes of job selection, vacation selection and reductions in force. Force reduction of mechanics-tentative will be made in reverse order of their standing on the common roster. Recall of mechanics-tentative will be made in accordance with their seniority standing on the common roster, and if they fail to accept recall will be removed from the mechanic-tentative roster and the student mechanic roster.

(e) All seniority as mechanic-tentative will automatically terminate upon establishment of journeyman mechanics seniority.

ARTICLE IX – GENERAL

(a) Employees entering the Student Mechanic Training Program will not be given credit toward the completion of their 732 days required to establish journeyman's seniority for any knowledge or experience gained prior to entering the Program or gained outside of the Program.

(b) No provision of this agreement shall be construed as requiring the Carrier to establish any given number of student mechanic positions.

APPENDIX XI

DAYLIGHT SAVINGS TIME

1. Employees on duty when the change is made £Tom Standard to Daylight Saving Time in a calendar year and who complete such tours of duty will be allowed eight hours pay for such tour of duty. If these employees are also on duty when change is made back to Standard Time in the same calendar year and complete that tour of duty, they will be allowed eight hours pay for that tour of duty.

2. Employees not on duty when change is made £Tom Standard to Daylight Saving Time, but who are on duty when the change is made back to Standard Time will be released from duty after eight hours or, if required to remain on duty in excess of eight hours, will be paid at the applicable time and one-half rate of pay for all time worked in excess of eight hours.

APPENDIX XII

EXERCISING SENIORITY

Interpretation of Rule 28(c)

The exercising of seniority to displace junior employees, which practice is usually termed "rolling" or "bumping", will not be permitted, except that when forces are adjusted or reduced, the men on positions abolished shall have the privilege of displacing any man of his craft junior to him on any shift, provided the man exercising his seniority is qualified, by making written application to the official in charge, with copy being given to the local chairman, within 24 hours from notice of such abolition of position. Employees thus displaced will have the privilege of exercising seniority in the same manner. If an employee is on his rest days at the time abolishment notice is posted, he will, if his position has been abolished or if he has been displaced as a result of position abolishment, exercise his seniority promptly upon return to work from rest days but not to exceed sixteen (16) hours from start of his first shift after rest days. Employees thus displaced will have the privilege of exercising seniority in the same manner. If an employee whose position is abolished or who has been displaced has not so exercise his seniority rights, he will be assigned to an existing vacancy he is qualified to fill.

The Company will not be required to pay punitive rate or be put to any additional expense due to employees changing shifts under the rule.

APPENDIX XIII

February 28, 2003

Mr. Lawrence A. Sutton, General Chairman
Brotherhood Railway Carmen Division of TCU
2555 Prine Road
Lakeland, FL 33810-5703

Subject: Section 6, Attachment "C" Dated November 1, 1999

Dear Sir:

In full and final settlement of Attachment "C" of Section 6 Notices dated November 1, 1999 served by the Brotherhood Railway Carmen, the parties agree to the following:

1. Commercial Drivers License

Section 1 - CDL and FHW A testing, Licensing and Certification

(a) Upon presentation of proof of expenditures, CSXT shall reimburse employees for all fees necessary to obtain CDL License for the first application. Once the CDL is obtained, subsequent renewals or additional endorsements which are required to maintain the license requirements will also be reimbursed.

(b) Employees shall be permitted the use of an appropriate CSXT vehicle to take CDL test provided that written request for the use of such vehicle is made to the designated Carrier Officer no less than five (5) working days prior to the CDL test.

Section 2 - CDL Differential

(a) Journeymen Carmen, including upgraded mechanics who hold a bulletined position requiring a CDL License shall receive a differential of 30 cents per hour above the minimum rate paid to journeymen Carmen. There will be no compounding or pyramiding of differentials.

2. Placement of employees who are awarded positions

Section I. It has been our practice to place employees on their positions within 10 days of the effective date of award unless extenuating circumstances exist. It is understood that if an employee is unreasonably withheld from his awarded position, the Organization will notify the Senior Director and unless there are extenuating circumstances involved, the employee will be placed on the position. If the new position is at a higher rate, the higher rate will be allowed after the 10th day.

L. A. Sutton
February 28, 2003

3. Qualifications for Bulletined Positions

Section 1. It is agreed that the Organization may notify the Senior Director of any situations where employees need training in order to obtain qualifications that are needed to qualify for Carmen positions and the parties will arrange for such training so that when the positions become vacant, the employees will have the qualifications to be awarded same.

4. Effective Date

Section 1. It is understood that this agreement will be effective on the same date that National Agreement is made effective.

If the foregoing correctly reflects our understanding, please indicate your concurrence by signing below.

Yours truly,

/s/ A. R. Males

A.R. Males
Senior Director-Labor Relations

Agreed:

/s/ L. A. Sutton
_____
L. A. Sutton Date

I concur:

/s/ C. Moneypenny
_____
C. Moneypenny, Director Railroad Division
Transport Worker Union

APPENDIX XIV

A. R. MALES
Senior Director Labor Relations
500 Water Street, Suite 9131
Jacksonville, FL 32202
Telephone: (904) 359-3190
Fax: (904) 366-4426

December 18, 2003

Mr. L. A. Sutton, General Chairman
Brotherhood Railway Carmen Division, TCU
2555 Prine Road
Lakeland, FL

Mr. C. Moneypenny, Director Railroad Division
Transport Workers Union
1700 Broadway – 2nd Floor
New York, NY 10019-5905

Gentlemen:

This is to confirm our discussion leading up to the Carmen Single Working Agreement. It is agreed that the Savings Clause outlined in Rule 52 of this agreement preserves the language of Rule 108 of the former L&N Agreement insofar as it currently applies on the former L&N property.

If the foregoing correctly reflects our understanding, please indicate your agreement below:

Sincerely,

/s/ A. R. Males

A. R. Males

I concur:

/s/ L. A. Sutton

L. A. Sutton

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APPENDIX XV
SENIORITY POINTS

AKRON, OHIO
ALBANY, GA.
ALBANY, NY
ANDREWS, SC.
ASHLAND, KY
ASHTABULA, OH
ATKINSON, KY.
ATLANTA, GA.
AUGUSTA, GA.

BALDWIN/
JACKSONVILLE, FL
BALTIMORE, MD
BARBOURSVILLE, WV
BENTONHARBOR, MI
BENWOOD, WV
BIRMINGHAM, AL.
BLOOMINGTON, IN.
BOSTIC, NC.
BOSTON/ALLSTON, MA
BOWEST, PA
BOWLING GREEN, KY.
BRONX (OAKPOINT), NY
BRUCETON, TN.
BRUNSWICK, MD
BRUNSWICK, GA.
BUFFALO, NY
BURNHAM, IL
BUTLER, PA

CAYCE, SC.
CHARLESTON, SC.
CHARLOTTE, NC.
CHARLOTTESVILLE, VA
CHATHAM, ONT.
CHATTANOOGA, TN.
CHICAGO, IL
CHILLICOTHE, OH
CINCINNATI, OH
CLARKSBURG, WV
CLEVELAND, OH
CLIFTONFORGE, VA
COLUMBUS, OHIO
CONNELLSVILLE, PA
COPPERHILL, TN.
CORBIN, KY.
COWAN, TN.
COWEN, WV
CUMBERLAND, MD

DANTE, VA.
DANVILLE, IL
DANVILLE, WV
DECATUR, IL
DEFOREST JCT/
NEWCASTLE, OH
DENT, KY.
DETROIT, MI
DOTHAN, AL
DUBOIS, PA

EAST ST. LOUIS, IL
ELK RUN JUNCTION, WV
ELKINS, WV

ENSEL-LANSING, MI
ERIE, PA
ERWIN, TN.
ETOWAH, TN.
EVANSVILLE, IN.

FAIRMONT, WV
FERNANDINA, FL.
FLINT, MI
FLOMATON, AL
FLORA, IL
FLORENCE, SC.
FORTWAYNE, IN
FRAMINGHAM, MA

GARRETT, IN
GAULEY, WV
GEORGIANA, AL.
GLADSTONE, VA
GLENWOOD, PA
GRAFTON, WV
GRANDRAPIDS, MI
GREENWOOD, SC.
GREGGS, OHIO
GULFPORT, MS.

HAGERSTOWN, MD
HAMILTON, OHIO
HAMLET, NC.
HANDLEY, WV
HANOVER, PA
HASELTON, OH/
NEW CASTLE, PA
HAZARD, KY.
HIALEAH, FL.
HIGHSPRINGS, FL.
HINTON, WV
HOLLOWAY, OH
HUNTINGTON, WV

INDIANAPOLIS, IND.

JOHNSTOWN, PA
JOLIET, IL

KEYSER, WV
KNOXVILLE, TN.
KINGSLAND, GA
KINGSPORT, TN
LAFAYETTE, IN.
LAFOLLETTE, TN.
LAWRENCEBURG, IN
LIMA, OHIO
LITTLEFERRY, NJ
LORAIN, OH
LOUISVILLE, KY.
LOYALL, KY.
LUDINGTON, MI
LYNCHBURG, VA

MACON, GA.
MANCHESTER, GA.
MANISTEE, MI
MANVILLEYARD
MARION, OHIO
MARTIN, KY
MARTINSBURG, WV
MARYSVILLE, OH
MEMPHIS, TN
MESSENA, NY
MIDDLEBOROUGH, MA
MIDLAND, MI
MOBILE, AL.
MONROE, NC.
MONTGOMERY, AL
MT.PLEASANT, TN.
MUNCIE, IN

NAPLES, FL.
NASHVILLE, TN.
NORTH BERGEN-
SOUTH KEARNY, NJ

NEWARK, OH
NEWORLEANS, LA.
NEWPORTNEWS, VA.
NIAGARAFALLS, NY

OLIVE HILL, KY
ORLANDO, FL.
OTTAWA, IL

SPRINGFIELD, MA/
NEW HAVEN, CT

PAINTSVILLE, KY
PARKERSBURG, WV
PEACH CREEK, WV
PENSACOLA, FL
PERU, IND.
PETERSBURG, VA.
PHILADELPHIA, PA
PLYMOUTH, MI
PORTHURON, MI
PORTSMOUTH, VA.
PUNXSATAWNEY, PA

RACELAND CAR SHOP
RAINELLE, WV
RALEIGH, NC.
RALEIGH, WV
RAVENNA, KY.
RICHMOND
(LEXINGTON), KY.
RICHMOND, VA.
RICHMOND-FULTON, VA
RIVERDALE, IL
ROCHESTER, NY
ROCKYMOUNT, NC.
ROUGEMERE, MI
RUSSELL, KY

SAGINAW, MI
SALAMANCA, NY
SANFORD, FL.
SARNIA, ONT.
SAVANNAH, GA.
SELKIRK-KINGSTON, NY
SHELBIANA, KY
SOMERSET, PA
SO. CHARLESTON, WV
SPARTANBURG, SC.
ST.PETERSBURG, FL.
ST.THOMAS, ONT.
SYRACUSE/DEWITT, NY

TALLAHASSEE-
CHATTAHOOCHEE, FL
TAMPA, FL.
TERREHAUTE, IN.
THOMAS, WV
THOMASVILLE, GA.
THURMOND, WV
TRAVERSE, MI

WALBRIDGE-STANLEY,
OHIO
WASHINGTON, IN
WASHINGTON, DC
WATERTOWN, NY
WAVERLY (HOLLAND), MI
WAYCROSS, GA.
WILDWOOD, FL.
WILLARD, OHIO
WILMINGTON, NC.
WILSMERE, DE
WINSTON/LAKELAND/
MULBERRY, FL.
WORCESTER, MA