

Working Agreement

As used by the Organization

Updated January 01, 2015

Agreement between

**CEDAR RIVER RAILROAD COMPANY
CHICAGO, CENTRAL & PACIFIC RAILROAD COMPANY
ILLINOIS CENTRAL RAILROAD COMPANY**

and its

Employees Represented by the

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION

Including all revisions through
July 1, 2007

Green print designates previously agreed to changes:

Red print designates previously agreed upon “interpretations” not yet officially part of the agreement:

Blue print designates items that are currently being disputed.

TABLE OF CONTENTS

RULE 1.	SCOPE.....	4
RULE 2.	SUBDEPARTMENTS & CLASSIFICATIONS.....	4
RULE 3.	SENIORITY	5
RULE 4.	SENIORITY TERRITORY	6
RULE 5.	401(K) PLAN	6
RULE 6.	MOBILE GANGS	7
RULE 7.	PROMOTION AND DEMOTION	7
RULE 8.	BASIS FOR PROMOTION.....	7
RULE 9.	SENIORITY ROSTERS	8
RULE 10.	RETAINING SENIORITY RIGHTS	8
RULE 11.	TRANSFERS	8
RULE 12.	TEMPORARY SERVICE.....	8
RULE 13.	RELIEF OF FOREMAN.....	8
RULE 14.	BULLETIN NOTICE.....	9
RULE 15.	BIDDING ON MORE THAN ONE POSITION.....	10
RULE 16.	TRACK INSPECTORS.....	10
RULE 17.	HEADQUARTERS	10
RULE 18.	HOURS OF SERVICE.....	10
RULE 19.	40-HOUR WORKWEEK.....	11
RULE 20.	COMMERCIAL DRIVER'S LICENSE	14
RULE 21.	MAKE-UP TIME	14
RULE 22.	STARTING TIME.....	14
RULE 23.	REST DAY AND HOLIDAY WORK.....	15
RULE 24.	PHYSICAL DISQUALIFICATION	16
RULE 25.	OVERTIME	17
RULE 26.	CALLS--SERVICE ON REST DAYS OR IN ADVANCE OF WORK PERIOD	18
RULE 27.	AUTHORITY FOR OVERTIME	18
RULE 28.	ABSORBING OVERTIME.....	18
RULE 29.	FORCE REDUCTION	18
RULE 30.	SHORT LAY-OFFS.....	19
RULE 31.	INCREASE OF FORCES	20
RULE 32.	UNJUST TREATMENT	20
RULE 33.	DISCIPLINE	20
RULE 34.	CLAIMS AND GRIEVANCES.....	22
RULE 35.	MEAL PERIODS	22
RULE 36.	EXPENSES	23
RULE 37.	LEAVE OF ABSENCE.....	23
RULE 38.	UNAUTHORIZED ABSENCES	23
RULE 39.	JURY DUTY.....	23
RULE 40.	WITNESSES	24
RULE 41.	HEALTH AND SAFETY OF EMPLOYEES.....	24
RULE 42.	TOOLS.....	24
RULE 43.	ROAD CARPENTER WORK.....	24

RULE 44.	COMPOSITE SERVICE.....	24
RULE 45.	VACATIONS.....	25
RULE 46.	RATES OF PAY.....	25
RULE 47.	SERVICE ON COMMITTEES.....	25
RULE 48.	COMPANY FURNISH SCHEDULE.....	25
RULE 49.	LABOR MANAGEMENT COMMITTEE.....	26
RULE 50.	BEREAVEMENT LEAVE.....	26
RULE 51.	PERSONAL LEAVE.....	26
RULE 52.	ENTRY RATES.....	27
RULE 53.	REVISION OF AGREEMENT.....	27
	ADDITIONAL MATERIALS.....	28
	APPENDIX A - RATES OF PAY.....	28
	APPENDIX A - 1 - DIFFERENTIALS.....	32
	APPENDIX A - 2 - ESTABLISHING NEW POSITIONS.....	33
	APPENDIX B - COST OF LIVING ALLOWANCE.....	35
	APPENDIX C - CONTRACTING OUT.....	37
	APPENDIX C - 1 - CONTRACTING OUT.....	37
	APPENDIX C - 2 - CONTRACTING OUT.....	38
	APPENDIX C - 3 – EMPLOYEE PROTECTION/CONTRACTING OUT/EMPLOYMENT LEVEL.....	38
	APPENDIX C - 4 – UNDERSTANDING REGARDING EMPLOYEE PROTECTION/CONTRACTING OUT/EMPLOYMENT LEVEL..	39
	APPENDIX D - VACATIONS.....	40
	APPENDIX E - UNION SHOP AGREEMENT.....	44
	APPENDIX F - DUES DEDUCTION AGREEMENT.....	48
	APPENDIX G - VOLUNTARY POLITICAL CONTRIBUTIONS.....	50
	APPENDIX H - DISABLED EMPLOYEES.....	52
	APPENDIX I - STUDENT EMPLOYEE TRAINING PROGRAM.....	53
	APPENDIX J - HEALTH AND WELFARE.....	54
	APPENDIX K - IC - GM& O MERGER PROTECTION AGREEMENT.....	63
	APPENDIX L - FEBRUARY 7, 1965 AGREEMENT.....	64
	APPENDIX M - GROUP A MACHINES.....	70
	APPENDIX N – CAR TOP MATERIAL HANDLER.....	71
	APPENDIX O - WELDED RAIL PICK UP MACHINE.....	75
	APPENDIX P - BACKHOES.....	76
	APPENDIX Q - WORK EQUIPMENT HANDLER.....	78
	APPENDIX R – MOBILE BRIDGE GANG.....	79
	APPENDIX R – 1: BRIDGE GANGS.....	80
	APPENDIX S – BRANDT TRUCK.....	81
	APPENDIX T – BRUSH CUTTER.....	85
	APPENDIX U – PER DIEM – MOBILE GANGS.....	86

RULE 1. SCOPE

This schedule governs hours of service and working conditions of all employees in the Maintenance of Way and Structures Department, except

- (a) Signal Department employees
- (b) Clerical forces
- (c) Engineering forces
- (d) Scale Department employees
- (e) Water Works foremen, repairmen and helpers
- (f) Telephone and Telegraph Maintenance employees
- (g) Bridge inspectors assigned to more than one division
- (h) Supervisory forces above the rank of foremen
- (i) Any other employees (pending final decision) over whom there is jurisdictional dispute
- (j) Division gardeners

RULE 2. SUBDEPARTMENTS & CLASSIFICATIONS

Employees in each subdepartment will perform the work **customarily performed** in that subdepartment. The subdepartments and level of the classifications within such are defined as follows:

A. Track Subdepartment

1. Track Foremen
2. Assistant Foremen
5. Trackmen

Note: Trackmen will be assigned to operate Group D machines based on seniority preference. Group D machines include: tie adzer, power rail anchor applicator, bolt tightening machine, cribbing machine, Dun-rite gauger, power track jack, rail lifter, on track mowing machine, self-propelled ground roller, portable power brush saw, spike driver, spike puller, spike setter, tie creosote spray, chemical or oil spray not self-propelled, tie brush, tie puller and inserter, tractor and tractor mower, tie saw, tie bed scarifier, tie handler, hydra spiker, power wrench, rail gauges, trenching machine.

B. B&B and Paint Subdepartment

1. a. Foremen
b. B&S Welders *
2. Assistant Foremen
3. Carpenters, Painters and Masons
4. Helpers
5. Bridgemen

*Note: B&S Welders:

Successful applicants will be selected on the basis of B&B Subdepartment seniority first, and then overall seniority. Successful applicants will be required to pass a two week welding school and attain certification within thirty working days thereafter. The certification will require that they meet AWS specifications for joining 3/4" plates in an overhead fillet weld and a vertical groove weld with the shielded metal arc welding process. Successful applicants will be required to pass the Book of Rules test.

C. Welding Subdepartment

1. a. Foremen
b. Lead welder
c. Welders
3. Grinders
4. Helpers

D. Work Equipment Subdepartment

1. a. Foremen
b. Leadmen
c. Repairmen, Work Equipment Hauler
4. Helpers

E. Machine Operator Subdepartment

2. Groups B and C Machine Operators

Group B machines include: dragline, angle dozer, backhoe, bull dozer, burro crane, front end loader, clam shell, mobile crane, pile driver, motor grader, ditch operator, Jordan ditch spreader, shield bantam off-on track crane, multiple purpose loco-crane 66304, Brandt Truck.

Group C machines include: electromatic tamper, multiple tamper, self-propelled ballast drainage car (head and wing operators), self-propelled CS-6 type chemical spray (head and wing operator), on track tamping jack, yard cleaner, grouting machine, self-propelled on track weed burner, chemical spray handled by work train (head and wing operators) boltmaster-jointmaster, ballast compactor, self-propelled brush cutter and ballast regulator.

Trackmen regularly assigned to operate trucks or track motor cars in the track subdepartment may deliver material and men off their assigned territory when necessary. Employees of all subdepartments who are assigned to operate trucks or track motor cars may deliver employees and material to other subdepartments when necessary. This does not preclude officers, supervisors or employees from operating trucks or track motor cars in carrying on their assignments.

RULE 3. SENIORITY

- (a) Seniority of a new employee begins at the time the employee's pay starts and will be confined to the classification in which hired until the employee bids on and is awarded another position. When two or more new employees enter service on the same hour and date, their rank on the roster shall be in accordance with the alphabetical order of the letters of their names. Employees who establish seniority in new classifications will retain and continue to accumulate seniority in all other classifications in which they have seniority.
 - (b) Other than those employees who established seniority between May 4, 1981 and October 28, 1996, **seniority*** of an employee in higher classifications within a subdepartment is **established on the date of assignment** to a bulletined position, either temporary or permanent, in that higher classification. Seniority in such higher classification is **retained** provided the employee **works** continuously in that classification **for thirty (30) working days** following the assignment. Those who are promoted to a classification in any subdepartment between May 4, 1981 and October 28, 1996 shall be ranked below those promoted to that classification prior to May 4, 1981, and above those promoted after October 28, 1996 in the order of their earliest seniority date in any other classification. **An employee working in a higher classification who has not completed the thirty (30) day probationary period whose job is abolished may displace an employee junior in seniority who has not completed the thirty (30) day probationary period.**
- *Note: "Seniority" is established on the date of the award. In order for an employee to be displaced, even within an employee's thirty (30) day probationary period, "seniority" would prevail. An employee attempting to displace employees within their thirty (30) day probationary period, must have seniority within that particular classification or working through his thirty (30) day probationary period in such classification in order to displace.**
- (c) An employee who establishes seniority in any position in a subdepartment, but who has not previously established seniority in the lower classification(s) in the subdepartment will automatically be given a date in the lower classifications(s) which will be identical to the date the employee acquired in the higher classification. Employees who establish work equipment repairman's, welder's, welder helper's or machine operator's seniority and who do not have trackman's seniority will establish trackman's seniority effective the same date as their seniority is established in the above referenced positions. Employees who establish seniority as B&S Welders shall establish seniority as B&S Welders and Bridgemen only.
 - (d) Helpers in all subdepartments, including grinders in the Welding Department, will be given preference over other employees for promotion to the higher class positions in which they directly assist. For example, a welder helper or grinder will be given preference over a trackman in filling a welder position vacancy.
 - (e) (1) All employees who hold seniority as a Group B machine operator will be placed on the bottom of the Group C machine operator seniority roster in the order of their earliest seniority date as a Group B operator and will be given a seniority date as a Group C machine operator effective October 28, 1996. All employees who hold seniority as a Group C machine operator will be placed on the bottom of the Group B machine operator seniority roster in the order of their earliest seniority date as a Group C operator and will be given a seniority date as a Group B machine operator effective October 28, 1996.

- (2) Employees with seniority prior to October 28, 1996, as both Group B and Group C machine operators will retain their current seniority in each classification.
- (3) Employees who establish seniority after October 28, 1996, as either a Group B or Group C machine operator will be given an identical seniority date in the other classification.
- (f) Applications for employment will be rejected within ninety (90) calendar days after seniority date is established, or applicant shall be considered accepted, applications rejected must be declined in writing to the applicant.
- (g) An employee who has been accepted for employment in accordance with Section (f) will not be terminated or disciplined by the carrier for furnishing incorrect information in connection with an application for employment or for withholding information therefrom unless the information involved was of such a nature that the employee would not have been hired if the carrier had timely knowledge of it.
- (h) Employees may acquire and hold seniority in all classifications in all subdepartments and may bid and be assigned positions in each classification (1) by their seniority in the classification, or (2) when they have not established seniority in the classification, by their seniority within the subdepartment, or (3) when they have not established seniority in the subdepartment, by their earliest seniority date in any classification.

RULE 4. SENIORITY TERRITORY

- (a) Except as provided in Section (b) of this rule, seniority, promotion, and work rights of employees covered by this agreement will be confined to one (1) of the following seniority districts:
 - 1. Northern Region: All territory north of Fulton, Kentucky, with the exception of the line from Fulton to Cairo.
 - 2. Southern Region: Line from Cairo to Fulton and all territory south of Fulton, Kentucky.
 - 3. Western Region: The entire Chicago, Central & Pacific Railroad west of Mile Post 36 and the entire Cedar River Railroad.
- (b) The company will not reduce the number of seniority districts to less than three and will not unilaterally change the boundaries without prior notice and agreement with the General Chairman.

In the event the parties are unable to agree on any proposed changes within 45 days, the matter may be submitted to final and binding arbitration whereby each party will submit its proposal to the arbitrator with supporting argument, and the arbitrator will select one of the two proposals.
- (c) In reaching a decision, the arbitrator may consider the organizational necessity for such change and its impact upon employees.
- (d) The foregoing provisions of this rule does not grant either the General Chairman or the arbitrator any authority to limit or delay the company's right to purchase, sell or abandon property.
- (e) Employees assigned to the system bridge gang on October 28, 1996, will establish seniority as a bridgeman on either the Northern or Southern District as of that date and will be placed on the applicable seniority roster in the order of their earliest seniority date on the system bridge gang seniority roster.
- (f) Employees who bid on and are assigned to positions on a system bridge gang after October 28, 1996 will establish seniority in accordance with paragraph (e).

RULE 5. 401(K) PLAN

The company will provide a 401(k) plan for employees covered by this Agreement. Under the plan, for the first four percent (4%) of an employee's salary contributed, the company will contribute \$.25 for each \$1.00 contributed by the employee. The employee may contribute an amount above 4%, up to a maximum of 15%, with no company participation.

RULE 6. MOBILE GANGS

Mobile gangs will be restricted to the division in which established, except for system gangs.

RULE 7. PROMOTION AND DEMOTION

- (a) Employees who are now filling or who are promoted to official or excepted positions shall retain their seniority rights and continue to accumulate seniority in the territory from which promoted provided such employees remain members in good standing with the union organization. Such payment of union dues will not constitute an obligation to retain membership in the organization, if the employee no longer wishes to do so, or to meet requirements that may be placed on employees not holding official or excepted positions.
- (b) Names of employees covered by Section (a) of this rule will be shown on seniority rosters in the classifications in which they hold seniority. Such employees will be considered to be in compliance unless the general chairman gives proper notification. If an employee fails to remain in good standing, the general chairman shall notify the employee in writing, by certified mail, with a copy to the appropriate Engineering Superintendent and the Manager of Labor Relations, that seniority is in jeopardy. If the employee who is so notified does not tender money due within thirty days from the date of notification, said employee will forfeit all seniority and be removed from all rosters. This rule does not cover employees who transfer to positions covered by contracts with other labor organizations.
- (c) An employee who voluntarily resigns from an official or excepted position may not displace any regularly assigned employee, but may accept any vacancy or new position or may perform such extra work as entitled to by seniority. Employees returning to the bargaining unit for reasons other than voluntary transfer may displace junior employees in any classification in accordance with the agreement. When an employee who occupies an official or excepted position is dismissed for cause, said employee automatically forfeits all seniority and right to return to positions covered by this agreement. This rule does not bar the union from filing a grievance to appeal the loss of such employee's seniority.
- (d) Employees promoted to such positions will have 90 calendar days in which to comply with the provisions of this rule.

RULE 8. BASIS FOR PROMOTION

- (a) Promotion is an advancement from a lower classification to a higher classification. Promotion shall be based on seniority, fitness and ability; fitness and ability being sufficient, seniority shall prevail, the management to be the judge, subject to appeal. Employees who successfully complete foreman training under the March 1, 1976 Agreement must apply for promotion to a foreman's position at the earliest opportunity or forfeit their rights as a foreman.
- (b) Employees will not be assigned to foreman positions unless they have satisfactorily completed the training, including classroom instruction if any, and proficiency examinations required by the company.

Note: Foremen are required by the Carrier to have FRA 213.7 qualifications and one (1) year seniority, which is currently under dispute.

- (c) Whenever two or more employees with the same seniority date in a particular job classification bid for a vacancy in a higher classification, the oldest employee in service will be given preference to the position.
- (d) Employees awarded or displacing on higher grade positions will be given full cooperation by supervisors and other employees in their efforts to qualify.
- (e) An employee accepting promotion will be allowed not less than 10 nor more than 30 working days in which to qualify, and failing to qualify, will be returned to the employee's former position without loss of seniority in the rank from which promoted.

RULE 9. SENIORITY ROSTERS

- (a) Rosters of employees of each subdepartment by seniority districts will be separately compiled by the company. Copies will be furnished which upon receipt will be posted in tool house or at headquarters. Copies will also be furnished to the local chairman.
- (b) Rosters will show each employee's name, last date entering service, and dates in each group. Trackmen and Bridgemen will not be shown on rosters until after they have been in continuous service for 90 days.
- (c) Rosters will be revised and posted in January each year and be open to protest for 180 calendar days from date of issue. Except to correct typographical errors, this 180 calendar day provision will be invoked only in the case of employees whose names appear on the roster for the first time.

RULE 10. RETAINING SENIORITY RIGHTS

- (a) Employees who are laid off must file their name and current address with the Engineering Superintendent within fifteen calendar days from the effective date of furlough. Employees must promptly notify the Engineering Superintendent of any subsequent changes of address. Except as provided in paragraph (b) of this rule employees will not lose any seniority for their failure to file their name and current address with the Engineering Superintendent.
- (b) When forces are increased, the employees will be notified in seniority order and must return to service within seven (7) days of the date of recall. Failure to comply with these provisions, unless prevented by sickness or injury, will result in loss of seniority. A certified letter addressed to the employee at the last address filed will constitute proper notice.
- (c) Employees laid off due to force reductions for three (3) years will lose their seniority.
- (d) An employee with less than three (3) years of seniority will be terminated if furloughed for 365 consecutive days.

The "365 consecutive days" shall exclude any period during which a furloughed employee receives compensation pursuant to an employee protection order or an employee protection agreement or arrangement.

RULE 11. TRANSFERS

- (a) Employees will not be temporarily transferred by management from one seniority district to another except when necessary because of flood, fire, storm, hurricane, exigency, or when agreed to between management and general chairman. Employees thus transferred will retain seniority rights on the district from which transferred.
- (b) When a machine of type covered by the Track Subdepartment, B&B and Paint Subdepartment, or Machine Operator Subdepartment, is working or moving from one division to another, the assigned employee will be permitted to operate the machine for the balance of the day on the adjoining seniority district, without penalty to the railroad.

RULE 12. TEMPORARY SERVICE

- (a) An employee assigned to or accepting temporary service on the employee's home division for less than ten months will have the right when released to return to the position from which taken without loss of seniority. If the position has been abolished or filled by a senior employee, the employee may exercise seniority as provided in Rule 29 - FORCE REDUCTION.
- (b) An employee assigned to or accepting temporary service on the employee's home division for more than ten months will not have the right to return to the position from which taken, and such position will then be bulletined as a permanent vacancy.

RULE 13. RELIEF OF FOREMAN

Foremen may be relieved by assistant foremen, if available. Assistant foremen will be given preference to vacancies as foremen.

RULE 14. BULLETIN NOTICE

- (a) All new positions or vacancies expected to last more than 30 days, except for Group D machine operators, will be posted for a period of 15 days at the headquarters of the gangs in the subdepartment of the employees entitled to consideration in filling the positions, during which time employees may file their applications with the official, whose name appears on the bulletin. Such bulletin will show headquarters' point, title of position, temporary or permanent, rate of pay, hours of service, gang, machine or position number, and rest days of position bulletined. Appointments will be made not less than 15 days or more than 30 days from date of bulletin. Name of successful applicant will be posted. Copy of bulletin and award will be furnished local chairman and general chairman. Successful applicants must remain on the position assigned for a minimum of 180 days for Bridge Department positions, ~~120~~ **60*** days for Machine Operator positions or ~~90~~ **45*** days for all other positions, unless the position is abolished, the employee is displaced, or the employee has an opportunity to bid on a bulletined position which is ranked higher or has a higher rate of pay. When differentials are applicable to particular positions, such differential will be included when calculating higher rate of pay.

***(Amended by Letter of June 25, 2009)**

- (b) Groups A, B, and C machines will be bulletined by type of machine and machine number. Machine operators may be used to operate other machines or to perform other work as long as no one operates their machine.
- (c) Machines in Group D will not be bulletined and will be operated by members of the gang with senior employees given first choice of the machines they wish to operate. Subsequent machines will be assigned in seniority order in the same manner. If more than one gang is working together, the most senior employees of the combined gangs will be given their choice of the machines they wish to operate.
- (d) Vacancies and new positions may be filled without bulletin for 30 days. Except as provided in paragraph (a), vacancies of 30 days or less shall be filled if possible by the senior qualified employee at the location. Thereafter, the position will be bulletined and filled as provided in paragraph (a).
- (e) An employee who bids to and is awarded a position in a classification lower than that in which currently assigned may not bid to any position, including higher classifications, for a minimum of 90 days.
- (f) Except in case of illness or physical disability, employees assigned to positions on bulletin must take positions assigned within **five days**, unless extension of time is agreed upon by company officer making the assignment and the local chairman.
- (g) Employees returning from leave of absence* or vacation may return to the position to which they hold bulletin rights (provided it has not been abolished or a senior employee has not exercised displacement rights thereon), or they may, upon return, exercise displacement rights to any position bulletined during their absence (except those positions bulletined as a result of the employee's leave of absence)

*** Return from Military Leave of Absence please reference returning Vet's Rights. [Attached]**

- (h) In the absence of a successful bid the position will be filled as follows:
- (1) Mobile positions: Assignment of junior employee with seniority in the classification who is working a lower rated position.
 - (2) Headquarters positions: Assignment of junior employee with seniority in the classification who is working a lower rated position and who lives within 75 miles of the headquarters location.

Employees who refuse to accept a position in accordance with paragraphs (1) and (2) above will lose their seniority in the higher classification.

- (i) Furloughed employees have the right to bid on bulletined positions and if they are the successful applicants, they may not be displaced by senior employees who subsequently return from furlough until such time as the senior furloughed employee returns to work and has a displacement available.

Note: The ~~90~~ **45***, ~~120~~ **60*** and 180 days specified in paragraphs (a) and the 90 days specified in paragraph (e) are measured from *award date to bulletin date. First award date is the first day, second date of bulletin must be the **46^{st*}**, 91st, ~~121^{st*}~~ **61^{st*}** or 181st day or later.

***(Amended by Letter of June 25, 2009)**

***Note: Originally read “award date to award date” and printed in error in July 01, 2007, however, language was changed to read “award date to bulletin date” during negotiations of May 1, 2007 as stated in Side Letter 4.**

RULE 15. BIDDING ON MORE THAN ONE POSITION

When more than one vacancy or new position exists at the same time, employees shall have the right to bid on one or all, stating preference. If no preference is stated, the assignment will be made at management's discretion.

RULE 16. TRACK INSPECTORS

- (a) Track inspectors shall be promoted from Track Foremen, Assistant Track Foremen, Machine Operators, or Trackmen. Such positions will not be bulletined, but employees filing written applications therefor will be considered on the basis of their qualifications and capacity for greater responsibility.
- (b) Promotion to Track Inspector shall be limited to employees with a minimum qualification of at least three (3) years total experience in any of the above classifications and qualified for a minimum of one (1) year on FRA track safety standards.
- (c) Employees promoted to Track Inspectors:
 - (1) Will continue to accumulate seniority in the classifications from which promoted and their names shall be shown on rosters in that territory but will not, by virtue of such promotion, acquire additional seniority under the agreement, and
 - (2) May exercise seniority rights when vacancies occur or new positions are created, over which an Engineering Superintendent or corresponding officer has jurisdiction.
- (d) Track Inspectors will be allowed to perform incidental tasks which are directly related to the position.
- (e) The total number of active track Inspectors shall not exceed thirty-six (36). **(49) 130 Twice a year**

RULE 17. HEADQUARTERS

All positions which are not designated mobile will have a fixed headquarters which will not be changed permanently more than once each six months. This provision will not bar the company from abolishing surplus positions and simultaneously increasing forces at other locations. However, if forces are temporarily increased at a given headquarters for large building or rebuilding projects, including but not limited to bridge renewal, rail laying, surfacing, and tie renewal, and those jobs are subsequently abolished and rebulletined at another headquarters in continuation of the project, employees who move with the gang to exercise seniority to such positions will be considered mobile.

Fixed headquarters may be changed on a temporary basis not to exceed thirty (30) days. When so changed, employees will receive the appropriate allowance provided in Rule 36 (b) - EXPENSES.

RULE 18. HOURS OF SERVICE

- (a) For eight hours' pay, eight hours' work shall be performed.
- (b) Eight consecutive hours, exclusive of the meal period, shall constitute a day. Regular assigned daily working hours shall not be reduced below eight to avoid making force reductions.
- (c) When less than eight hours are worked at the request of employees, only actual time worked or held on duty will be paid.

RULE 19. 40-HOUR WORKWEEK

Note: The expressions "positions" and "work" used in this agreement refer to service, duties, or operations necessary to be performed the specified number of days per week, and not to the workweek of individual employees.

(a) Subject to exceptions contained in these rules, all employees will be assigned to a workweek of 40 hours consisting of five days of eight hours each, with two consecutive days off in each seven; the workweeks may be staggered in accordance with the company's operational requirements; so far as practicable, the days off shall be Saturday and Sunday. The foregoing workweek rule is subject to the following provisions:

(b) Five-Day Positions--

On positions the duties of which can reasonably be met in five days, the days off will be Saturday and Sunday.

(c) Six-Day Positions--

Where the nature of the work is such that employees will be needed six days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.

(d) Seven-Day Positions--

On positions which have been filled seven days per week, any two consecutive days may be the rest days with the presumption in favor of Saturday and Sunday.

(e) Regular Relief Assignments--

1. All possible regular relief assignments with five days of work and two consecutive rest days will be established to do the work necessary on rest days of assignments in six or seven days' service or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under this agreement. When no guarantee rule now exists, such relief assignments will not be required to have five days of work per week.
2. Assignments for regular relief positions may on different days include different starting times, duties and work locations for employees of the same class in the same seniority district, provided they take the starting time, duties and work locations of the employee or employees whom they are relieving.

(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, and if the parties fail to agree thereon, then if the company nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim under this agreement.

Note: The following statement of principles should be used as a basis for disposing of disputes and as a guide in the future application of this paragraph:

1. There is no absolute right to make work assignments from Tuesday to Saturday on any positions the duties of which can reasonably be met in five days as specified in paragraph (b) of this rule. Paragraph (b) governs such assignments.
2. Paragraph (f), however, permits exceptions to paragraph (b) under certain conditions.
3. The first condition is that there must be an operational problem which cannot be met under the provisions of paragraph (b).
4. The second condition is that the operational problem "requires that some of such employees work Tuesday to Saturday instead of Monday to Friday."

5. Another condition is that the operational problem and the necessary number of Tuesday to Saturday assignments to meet it must be explained to the duly accredited representative of the employees and **an effort made to reach agreement.**
6. If the parties fail to agree, the management may put into effect the assignment it deems necessary to meet the operational problems, **but it does so at its risk,** because paragraph (f) gives the employees the right to process as a grievance or claim their contention that the assignment itself is improper.

(g) Nonconsecutive Rest Days--

The typical workweek is to be one with two consecutive days off. 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 procedure 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 or extra men may be given nonconsecutive rest days.
6. If after all the foregoing has been done and 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 company may, nevertheless, put the assignments into effect subject to the right of employees to process the dispute as a grievance or claim under the rules agreement, and in such proceedings, the burden will be on the company to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five days per week.

Items 2, 3 and 4 of paragraph (g) of this rule contemplate that the supervising officer and the general chairman, or the duly authorized representative, may agree in writing to assign rest days other than Saturday and Sunday or to accumulate rest days.

(h) Rest days of Extra or Furloughed employees--

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

(i) Beginning of Workweek--

The term "workweek" for the 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--

The provision existing immediately prior to September 1, 1949, that punitive rates will be paid for Sunday as such are eliminated. The elimination of such provisions does not contemplate the reinstatement or 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) Four Day Work Week - -

1. The Carrier shall have the option to establish assignments with a workweek consisting of four (4) consecutive days per week and ten (10) hours per day.
2. Employees assigned to this workweek will be assigned to work four (4) consecutive days per week and will be allowed the pro rata rate for the 10-hour day.
3. Time worked in excess of the ten (10) hour work period on any day or work performed on rest days, holidays and during vacation periods shall be paid for in accordance with Agreement Rules.
4. Except when it is necessary to change an employee's workweek for the purpose of working two gangs together, the workweek for any employee will not be changed with less than two days advance notice given by the supervisor to the employees involved.
5. When a holiday falls or is observed on either the first or the last day of the workweek, employees assigned to work a four day workweek will work two eleven-hour days, one ten-hour day, and the holiday will be observed accordingly. Employees will be paid at the pro rata rate for the 32 hours.
6. When holidays fall or are observed on any two days from Monday through Friday, employees assigned to work a four day workweek will have their workweek changed to a five day (5) workweek of eight (8) hours each day. The holidays will be observed accordingly.
7. When any of the designated holidays fall on other than the first or last of the workweek, employees assigned to work a four day workweek will observe the holiday on either the first or last day of the workweek as determined by the Company, and will work two (2) eleven-hour days and one (1) ten-hour day. Employees will be paid at the pro rata rate for the 32 hours.
8. Employees assigned to a four (4) consecutive day workweek provided for herein who are required to work on a recognized holiday for which no other day is substituted, or are required to work on a day substituted for a recognized holiday, will be compensated for such service at the time and one-half rate in accordance with General Agreement Rules, in addition to the holiday, if qualified.
9. For vacation qualifying purposes, employees assigned to a four (4) consecutive day workweek as provided for herein, will be allowed credit for one and one-quarter (1.25) days for each full day worked on such assignments during the calendar year.
10. Employees absent on vacation during the period to which assigned to work a four (4) consecutive day workweek, as provided for in this agreement, will be compensated while on vacation on the basis of ten (10) hours per day at the pro rata rate, and one and one-quarter (1.25) days will be charged against the number of vacation days to which entitled for each day taken.
11. Employees exercising seniority rights into or away from positions which work the four (4) consecutive day, ten (10) hours per day workweek shall take all the conditions of the assignments they obtain and shall have no claim to loss of compensation or claim to overtime account working in excess of forty hours or on more than five days in their workweek by reason of exercise of seniority rights.
12. A four (4) working day advance notice (in lieu of five (5) days) shall be sufficient in making force reductions or job abolishment of positions assigned to the four (4) consecutive day, ten (10) hour per day workweek.

RULE 20. COMMERCIAL DRIVER'S LICENSE

- (a) If the company determines that a Commercial Driver's License is a requirement for any job classification, it will notify the organization fifteen (15) days prior to imposing the requirement and will reimburse employees assigned to such positions the actual cost of the CDL.
- (b) No employee will lose seniority in any classification as a result of the inability to attain or maintain a CDL. However, if a CDL requirement is placed on a position and an employee who occupies or desires such position does not have a CDL, said employee must demonstrate a reasonable effort towards the acquisition of such licenses or shall be considered as being ineligible for continued assignment to such position.
- (c) An employee who is denied a position or removed from a position for failure to possess a CDL shall remain ineligible for such position until presenting the company evidence that a CDL has been acquired.
- (d) Employees who require the use of a company vehicle to take the driving portion of their CDL test must notify their supervisor of such request in writing. Upon receipt of such request, the supervisor will make a vehicle available to the employee within thirty (30) days or the applicable state time limits, for completion of the driving portion of the CDL, whichever is less.
- (e) Upon receipt of CDL, employees must notify the Engineering Superintendent in writing within ten (10) days.

ADVISORY: CLARIFICATION OF CDL REQUIREMENTS

Per discussion between the BMW and CN Labor Relations following are the guidelines to be implemented when advertising and awarding positions that require a CDL License:

- 1. Only those positions that have a CDL vehicle will be bulletined with a CDL requirement. All positions will be awarded in Seniority Order.**
- 2. Any employee who is awarded a CDL position who does not have a CDL license will be sent a 15-day letter advising that he must obtain a CDL in order to qualify for the position awarded. Employees will have 30 days in which to obtain their CDL permits and scheduled their driving test per the requirements of the State issuing the CDL license.**
- 3. Employees who fail to obtain a CDL license will be disqualified from the position awarded and returned to the previous position. The vacancy for the CDL position will be re-advertised.**
- 4. All employees are encouraged to obtain CDL licenses prior to bidding on CDL positions. The company will provide the vehicle and reimburse all employees for the cost of the license.**

RULE 21. MAKE-UP TIME

When agreeable to the majority of the employees involved and the company, employees will be allowed to make up time, provided that not more than two hours will be made up on any one day. **When mobile gangs are working with section gangs, all employees at the location will work the same hours.**

If for any reason, the employees, after making up time are held to make additional time during the workweek, the additional time worked will be paid for at the overtime rate.

RULE 22. STARTING TIME

- (a) Starting time of work period for regular assigned day service will not begin earlier than 5:00 a.m. and not later than 8:00 a.m., except by agreement between the engineering superintendent and local chairman, and will be fixed by the supervisory officer and will not be changed without giving employees affected 36 hours' advance notice.
- (b) The starting time for employees other than covered by Section (a) of this Rule, and for employees where more than one shift is employed, will be designated by the supervising officer and will not be changed without giving employees affected 96 hours' advance notice. When two or more shifts are employed, no shift will have a starting time between 12:00 o'clock midnight and 5:00 a.m.

- (c) Time for each class of employees will start and end at designated assembling points such as stationary tool houses, station buildings and shops.
- (d) Starting and ending time of mobile employees will be at assembly points at or near the work site designated by management, whether or not a tool house or station building is located there.
- (e) Changes from Standard Time to Daylight Saving Time or vice versa will not be considered as changes in starting time.
- (f) The starting times for production crews* shall be between 4:00 a.m. and 11:00 a.m. and shall not be changed without thirty-six hours notice, except that forty-eight hours notice shall be given for a change which is greater than four hours. **Starting times shall remain in effect for at least five consecutive days.** If the company wishes to start a crew so early that a convenient restaurant is not open, or end work so late that a meal cannot be obtained, it will be the responsibility of the company to provide a meal to those employees at the work site or other place appropriate, convenient and safe to its employees.
- (g) Other starting times may be agreed upon by the parties for production crews* or for regular assignments involving service which is affected by environmental conditions or governmental requirements or for work that must be coordinated with other operations in order to avoid substantial loss of right of way access time: however, no production crew* or regular assignment shall have a starting time between midnight and 4:00 a.m. If the parties fail to agree on such other starting times, the matter may be referred to arbitration. Similar notice requirements regarding starting times, as described above, shall apply.

* Production crews include supporting forces who are directly involved. However, "directly involved" should be given the narrowest possible construction consistent with the efficient operation of the production crew.

RULE 23. REST DAY AND HOLIDAY WORK

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

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

Note: Employees may observe any day on which custom or law dictates a halting of general business activity to commemorate or celebrate a particular event in lieu of observing Washington's birthday (President's Day) provided they notify their immediate supervisor no later than January 10th of that year.

- (b) Holiday pay for regularly assigned employees shall be at the pro rata rate for the position to which assigned.
- (c) For other than regularly assigned employees, if the holiday falls on a day on which employees would otherwise be assigned to work, they 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 they otherwise would have worked. If the holiday falls on a day on which they otherwise would have worked, they shall receive eight hours' pay at the pro rata hourly rate of the position on which compensation last accrued to him/her prior to the holiday.
- (d) Subject to the applicable qualifying requirements in paragraph (f) hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in paragraph (c) above, provided (1) compensation for service paid by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) employees have had a seniority date for at least 60 calendar days or have 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.

- (e) This rule does not disturb agreements or practices now in effect under which any other day is substituted or observed in place of any of the above-enumerated holidays.
- (f) A regularly assigned employee shall qualify for the holiday pay provided in paragraph (a) hereof if compensation paid 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 their rest days shall be considered the workday immediately following. If the holiday falls on the first workday of their 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 paragraph (a) hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday, they satisfy one or the other of the following conditions:

- (1) Compensation for service paid by the carrier is credited; or
- (2) Such employee is available for service.

Note: "Available" as used in paragraph (f) (ii) above is interpreted by the parties to mean that an employee is available unless the employee lays off of the employee's own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

For purposes of paragraph (a), other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the workday 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. Compensation paid under sick-leave rules or practices will not be considered as compensation for purposes of this rule.

- (g) All rules, regulations or practices which provide that when a regularly assigned employee has an assigned relief day other than Sunday and one of the holidays specified therein falls on such relief day, the following assigned day will be considered a holiday, are hereby eliminated.
- (h) 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/her on a holiday which is also a workday, a rest day and/or a vacation day.
- (i) When any of the recognized holidays enumerated in paragraph (a) of this rule, 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 employees vacation period, they shall, in addition to their vacation compensation, receive the holiday pay provided for therein provided they meet 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.

RULE 24. PHYSICAL DISQUALIFICATION

For those employees who are physically disqualified by the Director Medical Services and who disagree with the findings, the following procedure is established:

- (a) When employees are found by the Director Medical Services to be physically disqualified, they shall be notified in writing by the Director Medical Services of the specific medical reasons for the findings. If the employees question the findings, they or their representative shall, within thirty days of the notification of physical disqualification, notify the Director Labor Relations in writing of an appeal and submit to the Director Medical Services a statement of medical evidence from the physician of the employee's choice attesting to the employees meeting the company's physical standards with respect to those matters on which the employee was found disqualified. Should the Director Medical Services continue of the opinion that the employee does not meet the company's physical standards, the Director Medical Services shall notify the employee in writing within fifteen days. If the Director Medical Services agrees that the employee meets the company's physical standards, the employee will be made whole for wages lost.

- (b) Should employees disagree with the Director Medical Services' decision following the latter's review of the medical evidence presented, they or their representative may, provided such is done within fifteen days after receipt of the decision, request a three-doctor panel, which shall be established as promptly as possible after receipt of the employee's request. The panel shall be composed of a doctor of the employee's choice, a doctor of the company's choice and a third doctor selected by the other two. The partisan doctors may present to the third doctor any evidence bearing on the dispute they consider pertinent. The panel shall determine within thirty days of its establishment whether the employee's physical condition meets the company's standards. A majority decision shall govern.
- (c) Expenses involved in the application of this rule will be handled by the company paying its doctor, the employees paying the doctor of their choice, and the expenses of the third doctor including such X-rays and laboratory examinations as may be required being divided equally between the company and the employee involved.
- (d) An employee returned to service on the basis of the decision of the three-doctor panel will be made whole as to wages lost due to disqualification in the event the three-doctor panel concludes the employee's condition did not warrant disqualification.
- (e) Should the three-doctor panel find employees physically disqualified, the employees may, when their physical condition warrants, invoke again the procedures outlined hereinbefore except that the employee shall not do so earlier than ninety days after the decision of the three-doctor panel. If the physical condition of the employee improves to the extent the employee is found to meet the company's standards, the employee will be physically qualified to return to work but will not be made whole for loss of earnings incurred during the period of disability.
- (f) In the event the employees or their representative do not appeal the Director Medical Services' decision within the time limit specified herein, they shall be considered as having accepted the decision until the time the employee again presents himself for examination by the company doctor, in which event the procedure described hereinabove shall be followed. Should the Director Medical Services fail to meet the time limit specified in the penultimate sentence of paragraph (a), the employee shall be made whole as to wage loss between the date the Director Medical Services should have made the decision and the date the employee receives the decision.

RULE 25. OVERTIME

- (a) Except as provided in paragraph (c) of this rule, time worked, preceding or following and continuous with the regular eight (8) hour work period (exclusive of meal periods), shall be computed on the actual minute basis and paid for at time and one-half rates, with double time computed on actual minute basis after sixteen (16) continuous hours of work in any twenty-four (24) hour period, computed from the time the continuous work period commences, with the exception that all time during the employees' regular shift will be paid for at the pro rata rate.

Examples:

No. 1: 7 a.m. to 4 p.m. regular assigned work period:

Employee called 4:00 a.m. and worked continuously until 11:00 p.m. Employee would be paid eight hours pro rata, eight hours time and one half and two hours double time.

No. 2: 7 a.m. and 4 p.m. regular assigned work period:

Employee called at 6:00 p.m. and worked continuously until 8:00 p.m. the following day. The employee will be paid eight (8) hours straight, ten (10) hours at time and one half and seven (7) hours at double time.

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

- (c) Where overtime work is needed to be performed prior to continuous with or following a regular assignment or on a rest day or holiday, such overtime will accrue to the incumbent of the position who would normally be assigned to perform such work.
- (d) Employees required to work in excess of forty (40) straight-time hours in any workweek shall be paid therefore at the rate of time and one-half, except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list, or where days off are being accumulated under paragraph (g) of Rule 19 - 40-Hour Workweek.
- (e) Employees worked more than five (5) days in a work week shall be paid one and one-half times the basic straight-time rate for work on the sixth and seventh days of their workweeks, except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list, or where days off are being accumulated under paragraph (g) of Rule 19 - 40-Hour Workweek.
- (f) 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 arbitrariness or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except where 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.
- (g) All employees will be allowed time at the rate of time and one-half time for services performed continuous with an in advance of regular work period.
- (h) All employees who have completed their work period for the day and have been released from duty not exceeding one hour, required to return for further service will be paid as for continuous duty.
 - (i) Employees assigned to mobile positions who are required to perform work on a rest day will be allowed a minimum of four (4) hours pay at the overtime rate if less than four (4) hours are worked.

RULE 26. CALLS--SERVICE ON REST DAYS OR IN ADVANCE OF WORK PERIOD

All employees called for duty and reporting outside of regular working hours and not continuous therewith, either in advance of or following, will be paid a minimum of three (3) hours at time and one-half rate for three (3) hours' work or less, and if held on duty in excess of three (3) hours, time and one-half will be allowed on minute basis.

RULE 27. AUTHORITY FOR OVERTIME

No overtime shall be worked without authority of a superior officer, except in case of emergency when advance authority is not obtainable.

RULE 28. ABSORBING OVERTIME

Employees shall not be required to suspend work during the regular assigned work period for the purpose of absorbing overtime.

RULE 29. FORCE REDUCTION

When Forces are reduced, senior employees in their respective classes shall be retained. Employees laid off or displaced will have the right to exercise their seniority rights as follows:

- (a) Employees will have the right, to displace any employees junior to them in any classification in any subdepartment in which they hold seniority, provided such displacement rights are asserted within ten (10) days* from the date affected.
- (b) An employees whose job is abolished or who is displaced may exercise seniority to displace a junior employee who has already received a five (5) day notice. In such circumstances, the older employee will not receive the full five (5) day notice before being cut off again, at which time a new ten (10) day period in which to exercise the employee's seniority will begin. The junior employee will not have a claim for that portion of the five days during which displaced.

- (c) An employee cut off or displaced before a job bulletin expires cannot roll any successful bidders for those jobs. If cut off or displaced after the job bulletin expires, an employee may roll the successful bidder, **provided the employee has seniority rights in that classification to exercise. [Refer to the first paragraph]**
- (d) Senior employees whose positions are abolished will be permitted to assume a furlough status rather than exercise displacement rights when the following conditions exist:
 1. Their seniority will not permit them to exercise displacement rights to fixed headquarters positions that are within thirty (30) miles of their home or, in the case of section employees, within thirty (30) miles of the headquarters of their last position.
 2. The assumption of a furlough status by a senior employee will not result in the company having to hire a new employee.
- (e) Employees meeting the requirements of paragraph (d) who assume a furlough status must submit their decision in writing to the Engineering Superintendent within fifteen (15) calendar days as provided for in Rule 10(a) - Seniority Rights. When forces are increased, employees who voluntarily accepted a furlough status will be called back in seniority order as provided in Rule 10(b) - Seniority Rights and must report for work within seven (7) days from the date of recall notice. Failure to comply with this provision will result in loss of seniority.
- (f) Senior employees who elect to assume a furlough status rather than exercise displacement rights will be permitted to bid for positions or vacancies that are advertised by bulletin. However, on their bids they must make the notation that they are currently in a furlough status. Failure to make such a notation on their bids will be considered improper, and such bids will not be given consideration. In issuing bulletins or awards the company will not be required to incur any administrative responsibility that is beyond the requirements of Rule 14 - Bulletin Notice.
- (g) At no time will employees in a furlough status be permitted to exercise displacement rights.
- (h) Protected employees under this agreement, the February 7, 1965 Agreement and/or Merger Agreement who assume a furlough status, when there is work available for them on their seniority district waive all rights to protected pay and will not be counted as furloughed protected employees under the loss of business provisions of any agreement.
- (i) Seniority rights in displacing other employees must be exercised within ten (10) days* after employees are laid off or displaced. Employees laid off while on vacation or sick leave will have ten (10) days in which to displace after return to work.

*** Note: Assigned vacation days, the date of displacement and/or the date affected are not counted within the ten (10) days in which to displace.**

RULE 30. SHORT LAY-OFFS

- (a) Gangs will not be laid off for short periods when proper reduction of expenses can be accompanied by first laying off the junior men.
- (b) When forces are to be reduced, not less than five (5) working days advance written notice will be given to regularly assigned employees, not including casual employees who are substituting for regularly assigned employees, except as otherwise provided in paragraph (c) of this rule.
- (c) No advance notice is required before positions are temporarily abolished or forces are temporarily reduced where a suspension of operations in whole or in part is due to a labor dispute between the company and any of its employees.
- (d) No advance notice is required to employees before temporarily abolishing positions or making temporary force reductions under emergency conditions, such as flood, snowstorm, hurricane, tornado, earthquake, fire, or a labor dispute other than as identified in paragraph (c) hereof, provided that such conditions result in suspension of 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 an suspension of operations. Any employee who is

affected by such an emergency force reduction and reports for work for a position without having been previously notified not to report, shall receive four hours' pay at the applicable rate for that position. If an employee works any portion of the day, the employee will be paid in accordance with this agreement.

RULE 31. INCREASE OF FORCES

- (a) When forces are increased, senior employees in the respective classifications and seniority districts shall be given preference in employment, subject to Rule 10 - Retaining Seniority Rights.
- (b) Employees laid off will be given preference in employment for emergency work, in line with their seniority, provided they are available. The application of this paragraph will not operate to penalize the railroad.

RULE 32. UNJUST TREATMENT

An employee who considers himself unjustly treated, otherwise than covered by these rules, shall, if written request setting forth a complaint is made to the employee's immediate superior within twenty days of the cause of complaint, have the right of conference with the employing officer, assisted by one or more duly accredited representatives. Failing to dispose of the complaint in such conference, appeal may be taken in accordance with Rule 34 - Claims and Grievances.

RULE 33. DISCIPLINE

- (a) Employees shall not be disciplined* or dismissed until after a fair and impartial hearing. Notice of such hearing, stating the known circumstances involved, shall be given to the employee in writing within ten (10) days of the date that knowledge of the alleged offense has been received by the Engineering Superintendent or the employee's authorized representative.

*Foremen will have the right, when the circumstances dictate, to suspend an employee working under their jurisdiction, without a hearing. For the first offense, a foreman is limited to assessing a one (1) day suspension, for a second offense, a foreman can suspend an employee up to three (3) days and for the subsequent offenses, the foreman can suspend an employee up to five (5) days. If employees feel they have been unjustly treated, they may request a hearing within ten (10) days of the date the suspension begins.

- (b) A hearing shall be held within ten (10) days from the date of the notice to the employee of the alleged offense by an officer of the carrier unless for good cause additional time is requested by the carrier, the employee's representative, or the employee, provided the employee's representative has knowledge thereof.
- (c) Employees charged and their representatives shall have the right to be present throughout the entire hearing. At the hearing, employees may be assisted by representatives of the Brotherhood, party hereto, who shall be permitted to examine and cross-examine all witnesses. Employees shall have the right to have present at their expense such witnesses as they desire. An employee shall have the right to waive formal hearing and accept discipline in writing (sample waiver form immediately following this rule) witnessed by a union representative. **Suspension from service pending charges and hearing are permissible in major offenses.**
- (d) If hearing is not held within the specified or agreed time limit, no action will be taken by the company on the charge.
- (e) A decision shall be rendered within twenty (20) days from date of hearing.
- (f) If transcripts of evidence taken at hearing are made, copies of the transcript and letter assessing discipline, if any, will be furnished local or general chairmen upon request, provided the employees involved are disciplined.
- (g) Employees may be held out of service pending hearing and decision, and if discipline be assessed, the period so held from service shall be deemed to be included in any disciplinary period thereafter involved. ***Such hearing must be held within five (5) calendar days from the date removed from service, unless postponed as outlined in 33(b).**

*(Amended by Letter of June 25, 2009)

- (h) In case of censure, discipline or dismissal, the employee or the employee's representative may appeal from the decision in accordance with the provisions of Rule 34 - Claims and Grievances.
- (i) If charges against the employee are not sustained, they shall be stricken from the records. If by reason of such unsustained charges, the employee has been removed from the position held, reinstatement shall be made; and payment allowed for the assigned working hours actually lost at the rate of pay of the position formerly held less amount earned by him/her either in or out of the service.
- (j) If the charges against the employee are sustained and the employee is dismissed, reinstatement will be subject to agreement between organization and management.

NOTE: Where the term, "representative," appears in this agreement, it shall be understood to mean and be confined to the regularly constituted committee and/or the officers of the Brotherhood of Maintenance of Way Employees, of which such committee or officers are a part.

SAMPLE

REQUEST FOR WAIVER OF FORMAL HEARING

Mr. _____, 20__

LOCATION

Dear Sir:

I hereby confirm my verbal request that formal hearing be waived on the following charge for which I have been instructed to appear for hearing:

I understand, agree to and accept assessment of the following to be placed on my personal record: (Show discipline assessed, if none, mark "none").

WITNESSED:

Representative

Employee Under Charge (Print Name)

Signature

REQUEST GRANTED:

Occupation

Address

Date: _____

Date: _____

RULE 34.

CLAIMS AND GRIEVANCES

- (a) 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 sixty (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 company shall, within sixty (60) days from the date same is filed, notify whoever filed the claim or grievance (the employee or the employee's duly accredited 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 company as to other similar claims or grievances.
- (b) If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within sixty (60) days from receipt of notice of disallowance, and the representative of the company 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 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 sixty (60) day period for either a decision or appeal, up to and including the highest officer of the company designated for that purpose.
- (c) 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 company to handle such disputes. All claims or grievances involved in a decision by the highest designated officer shall be barred unless within nine (9) months from the date of said officer's decision, proceedings are instituted by the employee or the employee's 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 nine (9) months period herein referred to.
- (d) 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 violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than sixty (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.
- (e) This rule recognizes the right of representatives of the Brotherhood of Maintenance of Way Employees to file and prosecute claims and grievances for and on behalf of the employees it represents.
- (f) 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 the nine months of the date of the decision of the highest designated officer of the company.
- (g) This rule shall not apply to requests for leniency.

RULE 35. MEAL PERIODS

- (a) For regular employees, the meal period shall not be less than thirty (30) minutes or more than one (1) hour and will be allowed between the ending of the fourth hour and the ending of the sixth hour.
- (b) For continuous service, employees shall not be required to work more than six (6) hours without being given a meal period, except as provided for in paragraph (a). This shall be the rule for each succeeding six (6) hour period that an employee is required to work. The second and subsequent meals shall be furnished by the company.
- (c) The company will furnish all meals for employees called out on their rest days to perform emergency work.

RULE 36. EXPENSES

- (a) All employees required to be away from their regular assigned fixed headquarters overnight and who incur lodging expenses as a result thereof will be allowed actual necessary expenses.

Welders and welder helpers (when working off their supervisor's territory), motor car repairmen and track inspectors will be reimbursed (up to a maximum of \$8.00 as of 07/01/03, \$8.50 as of 07/01/04) for an actual noon meal expense when circumstances require them on a regular workday to take their noon meal period away from their assigned fixed headquarters. If a welder or welder helper works for more than one supervisor, the company will designate, in writing, the supervisor it desires to use for the purpose of this noon meal expense provision.

- (b) (1) To cover travel and living expenses while away from home, employees assigned to mobile gangs will be allowed a per diem allowance for each day worked:
for employees that live within 50 miles, \$57.00. For employees who live outside 50 miles, \$70.00 as of 5/21/07, \$73.00 as of 7/1/08, \$75.00 as of 07/01/09.
- (c) Employees who are authorized by a company designated representative to use their personal vehicle for company business will be reimbursed the IRS rate in effect at the time of the use.
- (d) The company has the right to request receipts for any expense incurred when employees are receiving actual expense.

RULE 37. LEAVE OF ABSENCE

- (a) Employees will not be granted leave of absence for a longer period than six (6) months, except in cases of sickness or physical disability or when serving on the Committee, or when agreed to between the management and the general chairman.
- (b) Employees holding offices in or representing the Brotherhood of Maintenance of Way Employees, either on the Illinois Central Railroad Company or ~~Grand Lodge~~ **National Division**, will be given leave of absence covering such term of office or assignment and will retain and continue to accumulate seniority rights and will have the privilege of returning to their former position. If the position does not exist, they may exercise their seniority rights under the provisions of Rule 29 - Force Reduction in securing positions in their own class on their seniority district, provided such rights are exercised within sixty (60) days after expiration of their term of office. Employees displaced thereby will have the same rights.

RULE 38. UNAUTHORIZED ABSENCES

- (a) Employees who are absent from their assigned position without permission for seven (7) consecutive workdays, will be considered as having abandoned their position and resigned from the service.
- (b) Employees will not be required to furnish a doctor's release if they are allowed to lay off sick for one day. The company will continue to have the option to require a doctor's release if the employee is absent account sickness more than one day in a work week or more than 4 days in a calendar month.

RULE 39. JURY DUTY

When regularly assigned employees are summoned for jury duty and are required to lose time from their assignment as a result thereof, they shall be paid for actual time lost with a maximum of a basic day's pay at the straight-time rate of their position for each day lost less the amount allowed 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:

- (1) 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.
- (2) The number of days for which jury duty shall be paid is limited to a maximum of sixty (60) days in any calendar year.

- (3) No jury duty pay will be allowed for any day as to which the employee is entitled to vacation or holiday pay.
- (4) 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 should be blanked, notwithstanding the provisions of any other rules.
- (5) Except as provided in Paragraph (6), employees will not be required to work on their assignments on days on which jury duty:
 - (a) ends within four (4) hours of the start of the assignment; or
 - (b) is scheduled to begin during the hours of their assignments or within four hours of the beginning or ending of their assignments.
- (6) On any day that employees are released from jury duty and four or more hours of their work assignment remain, they will immediately inform their supervisors and report to work if advised to do so.

RULE 40. WITNESSES

- (a) Employees taken from their work at the request of the management to attend court or to appear as witnesses for the railroad shall be allowed compensation equal to that which would have been earned during assigned working hours if they had not been taken away from their regular assignment, and in addition, necessary actual expenses while away from their headquarters. Receipt shall be furnished covering all such expenses. Any fees or mileage accruing shall be assigned to the railroad. Witnesses called by an employee or the employee's representatives shall not be paid by the railroad.
- (b) Employees required by the company to devote their time under this rule on rest days shall be paid at the pro rata rate of their position for time involved, with a minimum of three hours and a maximum of eight hours on any day.

RULE 41. HEALTH AND SAFETY OF EMPLOYEES

- (a) The railroad will see to it that a reasonably adequate supply of drinking water is made available to employees.
- (b) Ice for drinking water will be furnished employees, while on duty, during the period from April 1 to October 31, but at points where weather and climatic conditions warrant the use of ice throughout the year, ice will be furnished.

RULE 42. TOOLS

The management will furnish employees such general tools as necessary to perform their work, except such as are customarily furnished by skilled workmen.

RULE 43. ROAD CARPENTER WORK

A road carpenter having independent headquarters, may be used to perform B&B work, and, when necessary, the road carpenter may use two other employees, the first being a helper and the second a bridgeman. When the nature of the work is such that it requires a larger force, a foreman and gang will be used. However, temporary vacancies of road carpenter, road carpenter helper and bridgeman may remain unfilled for a period of three (3) days.

RULE 44. COMPOSITE SERVICE

- (a) Employees will be allowed to perform incidental tasks which are directly related to the service being performed and which they are capable of performing, provided the tasks are within the jurisdiction of the BMW. Compensation shall be at the applicable rate for the employee performing the service and shall not constitute a basis for any time claims by other employees. The provision is not intended to alter the establishment and manning of work forces accomplished in accordance with existing assignment, seniority, scope and classification rules.

- (b) An employee working on more than one class of work four hours or more on any day will be allowed the higher rate of pay for the entire day. When temporarily assigned by the proper officer to a lower-rated position, the employee's rate of pay will not be reduced.

RULE 45. VACATIONS

The Vacation Agreement of December 17, 1941, as supplemented by Agreement dated February 23, 1945, as subsequently amended and/or interpreted is made a part hereof. See Appendix D.

Employees who qualify for two (2) weeks or more of vacation may elect the following options:

- (a) To observe one (1) week of their vacation in single day increments, one (1) or more days a time.
1. Such vacation days may be taken upon two (2) days advance notice, consistent with the needs of service.
 2. Employees must use their single increment vacation days between January 1 and November 15. Any unused days as of November 15 will be paid for in lieu of vacation.
- (b) Upon written request, to put (1) or more weeks of vacation in a retirement bank.
1. Such weeks will accrue, but not be subject to use in later years.
 2. Such weeks will be paid at the then current Pay Group F rate upon retirement.
 3. Accrued weeks will be acknowledged at the time they are accrued. The acknowledgement will include the current week of accrual plus the employee's total accrual.
 4. The company will annually advise the general chairman of the total number of accrued weeks for each employee.

Employees who qualify for three (3) weeks or more of vacation may elect the following options:

- (a) To observe two (2) weeks of their vacation in single day increments, one (1) or more days a time.
1. Such vacation days may be taken upon two (2) days advance notice, consistent with the needs of service.
 2. Employees must use their single increment vacation days between January 1 and November 15. Any unused days as of November 15 will be paid for in lieu of vacation.
- (b) To put one (1) week of vacation in a retirement bank.
1. Such weeks will accrue, but not be subject to use in later years.
 2. Such weeks will be paid at the then current Pay Group F rate upon retirement.

RULE 46. RATES OF PAY

Rates of pay shown in APPENDIX A are the agreed rates of pay of employees covered by this agreement.

RULE 47. SERVICE ON COMMITTEES

Employees serving on committees, on sufficient notice, shall be granted leave of absence and, when permissible, free transportation over this railroad for the adjustment of differences between the railroad and its employees.

RULE 48. COMPANY FURNISH SCHEDULE

This schedule will be printed by the railroad and all employees affected will be furnished with a copy.

RULE 49. LABOR MANAGEMENT COMMITTEE

- (a) The parties agree to establish a Labor-Management Committee which will meet on a semi-annual basis or as scheduled by a 30-day notice from either party.
- (b) The Committee will be comprised of an even number of representatives for both the organization and the company but in no event shall the Committee consist of more than six members, three of which will represent the organization, and three of which will represent the company.
- (c) Of the company representatives, at least one will be from the Labor Relations Department and one will be from the Engineering Department. The remaining representative shall be appointed by the Vice President of Human Resources. The organization representatives shall be designated by the General Chairman.
- (d) The Committee may conduct any such business as it deems necessary in the further clarification of any provision contained in this or any other agreement.

RULE 50. BEREAVEMENT LEAVE

Employees in active service shall be entitled to bereavement leave of three (3) work days, to be taken at the discretion of the employee, upon furnishing proof of death of the employee's immediate family member. Bereavement leave will be taken within six months from the date of death of the employee's immediate family member. For purposes of this rule, immediate family consists of the employee's spouse, child, parent, grandparent, grandchild, brother, sister, half-brother, half-sister, step-parent, step-child and spouse's parent. In such cases, a basic day's pay at the rate of the last service rendered will be allowed for each of the three (3) days. Employees will make provision for taking leave with their supervising officials in the usual manner.

- Family relationships created through the legal adoption process shall qualify for bereavement leave. Any other family relationship not specifically mentioned shall be excluded.
- Bereavement leave non-availability shall be considered neutral for determining the qualifying day for holiday pay purposes. The workday preceding or following the employee's bereavement leave, as the case may be, shall be considered the qualifying day for holiday pay purposes.

RULE 51. PERSONAL LEAVE

- (a) A maximum of two (2) days of personal leave will be provided on the following basis:

Employees who have met the qualifying vacation requirements during eight (8) calendar years under vacation rules in effect on January 1, 1982, shall be entitled to one (1) day of personal leave in subsequent calendar years.

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

- (b) Personal leave days provided in Section (a) may be taken upon forty-eight (48) hours' advance notice from the employee to the proper carrier officer provided, however, such days may be taken only when consistent with the requirements of the carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.
- (c) Personal leave days will be paid for at the regular rate of the employee's position or the protected rate, whichever is higher.
- (d) The personal leave days provided in Section (a) shall be forfeited if not taken during each calendar year. The carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The carrier will have the right to distribute work on a position vacated among other employees covered by the agreement with the organization signatory hereto.

RULE 52. ENTRY RATES

Employees assigned to positions in Pay Groups E and F (Note: Appendix A) shall be paid as follows for all service performed within the first twenty-four (24) calendar months of service:

- (a) For the first twelve (12) calendar months of employment, new employees shall be paid ninety per cent (90%) of the applicable rates of pay (including COLA).
- (b) For the second twelve (12) calendar months of employment, new employees shall be paid ninety-five per cent (95%) of the applicable rates of pay (including COLA).
- (c) After twenty-four (24) months of employment all employees shall be paid at the full rate of the position worked.
- (f) Employees who have had an employment relationship with the Illinois Central Railroad and are rehired will be paid at established rates after completion of a total of sixty (60) months' combined service.
- (g) Service in a craft not represented by the Brotherhood of Maintenance of Way Employes shall not be considered in determining periods of employment under this rule.
- (h) Employees who have had a previous employment relationship with a Carrier in a craft represented by the Brotherhood of Maintenance of Way Employes and are subsequently hired by Illinois Central Railroad shall be covered by this rule. However, such employees will receive credit toward completion of the sixty (60) month period for any month in which compensated service was performed in such craft provided that such compensated service last occurred within one (1) year from the date of subsequent employment.
- (i) Any calendar month in which an employee does not render compensated service due to furlough, voluntary absence, suspension, or dismissal shall not count toward completion of the sixty (60) month period.
- (j) This rule shall not apply to any employees working in positions in Pay Groups A through D - (Note: Appendix A).

RULE 53. REVISION OF AGREEMENT

- (a) The purpose of this Agreement is to fix the general level of compensation and rules covering working conditions through December 31, 2009 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (b) Neither party to this agreement shall serve, prior to November 1, 2009 (not to become effective prior to January 1, 2010), any notice or proposal for the purpose of changing, adding to, or deleting the provisions of any agreement in effect between the parties.

FOR
CEDAR RIVER RAILROAD COMPANY
CHICAGO, CENTRAL & PACIFIC RAILROAD CO
ILLINOIS CENTRAL RAILROAD COMPANY

FOR
BROTHERHOOD OF MAINTENANCE
OF WAY EMPLOYES DIVISION

(Original signed by R. K. MacDougall)
Sr. Director – Labor Relations

(Original signed by Hayward Jude Granier)
General Chairman

APPROVED:

(Original signed by D. J. Mandalas)
Manager – Labor Relations

(Original signed by J. R. Cook)
Vice President - BMWED

ADDITIONAL MATERIALS

The following is material reprinted here for handy reference. Its inclusion in this booklet does not make an agreement of something that is not an agreement nor does omission of a special agreement necessarily mean that agreement is no longer in effect. Exhibits, Attachments and Appendices to the agreements in the following Section are not, in all cases, reproduced in this section; however, they remain in full force and effect.

PAYROLL DIRECT DEPOSIT

At the Company's discretion, all employees may be paid weekly or bi-weekly to the direct deposit account designated by the employee. If the Company elects to use direct deposit, employees will be held harmless for any bank charges or other finance charges caused by a missing or delayed deposit.

APPENDIX A - RATES OF PAY

Effective July 1, 2005, hourly rates of pay shall be as follows:

Pay Group A:	Foremen, Track Inspectors, Welders	\$22.07
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$21.73
Pay Group C:	Grinders	\$21.35
Pay Group D:	Carpenters, Assistant Foremen	\$20.83
Pay Group E:	Helpers	\$19.97
Pay Group F:	Trackmen, Bridgemen	\$19.28

Effective July 1, 2006, hourly rates of pay shall be as follows:

Pay Group A:	Foremen, Track Inspectors, Welders	\$22.73
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$22.38
Pay Group C:	Grinders	\$21.99
Pay Group D:	Carpenters, Assistant Foremen	\$21.45
Pay Group E:	Helpers	\$20.57
Pay Group F:	Trackmen, Bridgemen	\$19.86

Effective July 1, 2007, hourly rates of pay shall be as follows:

Pay Group A:	Foremen, Track Inspectors, Welders	\$23.41
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$23.05
Pay Group C:	Grinders	\$22.65
Pay Group D:	Carpenters, Assistant Foremen	\$22.09
Pay Group E:	Helpers	\$21.19
Pay Group F:	Trackmen, Bridgemen	\$20.46

Effective July 1, 2008, hourly rates of pay shall be as follows:

Pay Group A:	Foremen, Track Inspectors, Welders	\$24.35
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$23.98
Pay Group C:	Grinders	\$23.56
Pay Group D:	Carpenters, Assistant Foremen	\$22.97
Pay Group E:	Helpers	\$22.04
Pay Group F:	Trackmen, Bridgemen	\$21.28

Effective July 1, 2009, hourly rates of pay shall be as follows:

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.08
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$24.70
Pay Group C:	Grinders	\$24.27
Pay Group D:	Carpenters, Assistant Foremen	\$23.66
Pay Group E:	Helpers	\$22.70
Pay Group F:	Trackmen, Bridgemen	\$21.92

The COLA adjustment on July 01, 2010 will be .10 cents per hour.

Calculated with 6.563 points* change in CPI-W (1967=100) between September 09' and March 10' [halved per (d) (ii)] = divided by 0.3.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective July 1, 2010 hourly rates of pay shall be as follows: (COLA) = .10 cents TOTAL COLA = \$.10

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.18
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$24.80
Pay Group C:	Grinders	\$24.37
Pay Group D:	Carpenters, Assistant Foremen	\$23.76
Pay Group E:	Helpers	\$22.80
Pay Group F:	Trackmen, Bridgemen	\$22.02

The COLA adjustment on January 01, 2011 will be .03 cents per hour.

Calculated with 2.328 points* change in CPI-W (1967=100) between March 10' and September 10' [halved per (d) (ii)] = divided by 0.3.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective January 01, 2011 hourly rates of pay shall be as follows: (COLA) = .03 cents TOTAL COLA = \$.13

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.21
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$24.83
Pay Group C:	Grinders	\$24.40
Pay Group D:	Carpenters, Assistant Foremen	\$23.79
Pay Group E:	Helpers	\$22.83
Pay Group F:	Trackmen, Bridgemen	\$22.05

The COLA adjustment on July 01, 2011 will be .28 cents per hour.

Calculated with 17.032 points* change in CPI-W (1967=100) between September 10' and March 11' [halved per (d) (ii)] = divided by 0.3.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective July 01, 2011 hourly rates of pay shall be as follows: (COLA) = .28 cents TOTAL COLA = \$.41

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.49
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.11
Pay Group C:	Grinders	\$24.68
Pay Group D:	Carpenters, Assistant Foremen	\$24.07
Pay Group E:	Helpers	\$23.11
Pay Group F:	Trackmen, Bridgemen	\$22.33

The COLA adjustment on January 01, 2012 will be .18 cents per hour.

Calculated with 10.914 points* change in CPI-W (1967=100) between March 11' and September 11' [halved per (d) (ii)] = divided by 0.3.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective January 01, 2012 hourly rates of pay shall be as follows: (COLA) = .18 cents TOTAL COLA = \$.59

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.67
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.29
Pay Group C:	Grinders	\$24.86
Pay Group D:	Carpenters, Assistant Foremen	\$24.25
Pay Group E:	Helpers	\$23.29
Pay Group F:	Trackmen, Bridgemen	\$22.51

The COLA adjustment on July 01, 2012 will be .12 cents per hour.

Calculated with 7.791 points* change in CPI-W (1967=100) between September 11' and March 12' [halved per (d) (ii)] = 3.8955 divided by 0.3=12.985

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective July 01, 2012 hourly rates of pay shall be as follows: (COLA) = .12 cents TOTAL COLA = \$.71

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.79
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.41
Pay Group C:	Grinders	\$24.98
Pay Group D:	Carpenters, Assistant Foremen	\$24.37
Pay Group E:	Helpers	\$23.41
Pay Group F:	Trackmen, Bridgemen	\$22.63

The COLA adjustment on January 01, 2013 will be .09 cents per hour.

Calculated with 5.6 points* change in CPI-W (1967=100) between March 12' [674.090] and September 12' [679.690] and [halved per (d) (ii)] = 2.8 divided by 0.3 = 9.33333.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective January 01, 2013 hourly rates of pay shall be as follows: (COLA) = .09 cents TOTAL COLA = \$.80

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.88
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.50
Pay Group C:	Grinders	\$25.07
Pay Group D:	Carpenters, Assistant Foremen	\$24.46
Pay Group E:	Helpers	\$23.50
Pay Group F:	Trackmen, Bridgemen	\$22.72

The COLA adjustment on July 01, 2013 will be .05 cents per hour.

Calculated with 3.394 points* change in CPI-W (1967 = 100) between September 12' [679.690] and March 13' [683.084] then [halved per (d) (ii)] = 1.697 divided by 0.3 = 5.6566.

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective July 01, 2013 hourly rates of pay shall be as follows: (COLA) = .05 cents TOTAL COLA = \$.85

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.93
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.55
Pay Group C:	Grinders	\$25.12
Pay Group D:	Carpenters, Assistant Foremen	\$24.51
Pay Group E:	Helpers	\$23.55
Pay Group F :	Trackmen, Bridgemen	\$22.77

The COLA adjustment on January 01, 2014 will be .06 cents per hour.

Calculated with 3.616 points* change in CPI-W (1967=100) between March 13' [683.084] and September 13' [686.700] and [halved per (d) (ii)] = 1.808 divided by 0.3 = 6.0266667

***(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)**

Effective January 01, 2014 hourly rates of pay shall be as follows: (COLA) = .06 cents TOTAL COLA = \$.91

Pay Group A:	Foremen, Track Inspectors, Welders	\$25.99
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$25.61
Pay Group C:	Grinders	\$25.18
Pay Group D:	Carpenters, Assistant Foremen	\$24.57
Pay Group E:	Helpers	\$23.61
Pay Group F:	Trackmen, Bridgemen	\$22.83

Effective June 15, 2014 hourly rates of pay upon ratification of 04/16/ 2014 contract shall be as follows:

Previous TOTAL COLA of [\$0.91]*
TOTAL% INCREASED BASE RATES + COLA

Pay Group A:	Foremen, Track Inspectors, Welders	\$28.17	\$29.08
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$27.74	\$28.65
Pay Group C:	Grinders	\$27.26	\$28.17
Pay Group D:	Carpenters, Assistant Foremen	\$26.56	\$27.47
Pay Group E:	Helpers	\$25.49	\$26.40
Pay Group F:	Trackmen, Bridgemen	\$24.63	\$25.54

The COLA adjustment on July 01, 2014 will be .10 cents per hour.

Calculated with 6.025 points* change in CPI-W (1967 = 100) between September 13' [686.700] and March 14' [692.725] then [halved per (d) (ii)] = 3.0125 divided by 0.3 = 10.042

Effective July 01, 2014 TOTAL COLA of \$0.91 to be increased by \$0 .10 cents= \$1.01

Effective July 01, 2014 hourly rates of pay increased 3.80% plus [Disputed!!] Total Cola shall be as follows:

		<u>TOTAL COLA of [\$1.01]*</u>	
		3.8% INCREASED BASE RATES + COLA	
Pay Group A:	Foremen, Track Inspectors, Welders	\$29.24	\$30.25
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$28.79	\$29.80
Pay Group C:	Grinders	\$28.30	\$29.31
Pay Group D:	Carpenters, Assistant Foremen	\$27.57	\$28.58
Pay Group E:	Helpers	\$26.46	\$27.47
Pay Group F:	Trackmen, Bridgemen	\$25.57	\$26.58

The COLA adjustment on January 01, 2015 will be .07 cents per hour.

Calculated with 4.796 points* change in CPI-W (1967=100) between March 14' [692.725] and September 14' [697.521] and [halved per (d) (ii)] = 2.398 divided by 0.3 = 7.993*

*(By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)

Effective January 01, 2015 hourly rates of pay shall be as follows: (COLA) = .07cents

Effective January 01, 2015 hourly rates of pay increased 3 % plus [Disputed!!!]Total Cola shall be as follows:

		<u>TOTAL COLA of [\$1.08]*</u>	
		3% INCREASED BASE RATES + TOTAL COLA \$1.08	
Pay Group A:	Foremen, Track Inspectors, Welders	\$30.12	\$31.20
Pay Group B:	Group B and C Machine Operators, Work Equipment Repairmen, Operators of Pile Drivers and Locomotive Cranes	\$29.65	\$30.73
Pay Group C:	Grinders	\$29.15	\$30.23
Pay Group D:	Carpenters, Assistant Foremen	\$28.40	\$29.48
Pay Group E:	Helpers	\$27.25	\$28.33
Pay Group F:	Trackmen, Bridgemen	\$26.34	\$27.42

*** "COLA" and all BLUE FONT here is in dispute!!!!!!**

Application of Wage Increases

- (a) Rates of pay resulting from application of the wage increase, which end in fractions of a cent shall be rounded to the nearest whole cent. Fractions less than one-half shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.
- (b) Insofar as concerns deductions, which may be made from the rates resulting from the increases herein granted, under Section 3(m) of the Fair Labor Standards Act of 1938, the deductions may continue to be made to the extent that such deductions were being legally made as of August 31, 1941.

APPENDIX A - 1 - DIFFERENTIALS

The following differentials shall apply per each hour worked:

Pay Group A	Work Equipment Foremen with seniority prior to October 28, 1996	\$0.65
Pay Group A	System Bridge Foreman	\$1.25
Pay Group A	Track Inspector* [From April 01 to October 01]	\$1.20
Pay Group B	Lead Work Equipment Repairman	\$0.05
Pay Group B	Derrick Engineer Crawler Crane Loco Motive Crane	\$0.15
Pay Group B	Group A Machine Operator	\$0.07
Pay Group B	Car Top Material Handler	\$1.35
Pay Group B	Drone-Tamper*	\$1.00
Pay Group F	Group D Machine Operator	\$1.00
Pay Group F	System Bridgeman	\$1.08

Notes: Differentials will apply to vacation pay if the employee has been receiving one for at least two weeks prior to vacation.

\$0.50 differential is applicable for all positions requiring a CDL.

***Per Side Letter dated December 03, 2012 IC-BMWED-2011-00127**

***Per Side Letter dated March 01, 2012**

****Differentials are paid at time and one-half per R. Seymour.**

APPENDIX A - 2 - ESTABLISHING NEW POSITIONS

Excerpts from the
October 7, 1959 Agreement

ARTICLE I - PRIOR CONSULTATION

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

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

This Article does not contain penalty provisions and it does not require that agreements must be reached as the right of the carrier to make changes in work methods or to continue existing practices subject to compliance with the collective agreement is not questioned.

ARTICLE II - RATES OF PAY

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

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

ARTICLE III - RATES OF PAY OF NEW POSITIONS AND ADJUSTMENT OF RATES OF SUPERVISORY EMPLOYEES COVERED BY THE RULES OF THE COLLECTIVE AGREEMENT BETWEEN THE PARTIES HERETO WHERE DUTIES AND RESPONSIBILITIES HAVE ALLEGEDLY BEEN EXPANDED

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

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

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

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

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

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

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

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

APPENDIX B - COST OF LIVING ALLOWANCE

Section 1 - Cost of Living Allowance and Effective Dates of Adjustments

- (a) A cost-of-living allowance will be payable in the manner set forth in and subject to the provisions of this Article, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the BLS CPI. The first such cost-of-living allowance shall be payable effective July 1, 2010 based, subject to paragraph (d), on the BLS CPI for September 2009 as compared with the BLS CPI for March 2010. Such allowance, and further cost-of-living adjustments thereto which will become effective as described below, will be based on the change in the BLS CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d)(iii), according to the formula set forth in paragraph (e).

<u>Base Month</u>	<u>Measurement Periods</u> <u>Measurement Month</u>	<u>Effective Date</u> <u>of Adjustment</u>
September 2009	March 2010	July 1, 2010
March 2010	September 2010	January 1, 2011

Measurement Periods and Effective Dates conforming to the above schedule shall be applicable for all years subsequent to those specified during which this Article is in effect.

- (b) While a cost-of-living allowance is in effect, such cost-of-living allowance shall apply to straight time, overtime, protected rates, vacations, holidays and personal leave days in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to special allowances and arbitraries representing duplicate time payments.
- (c) The amount of the cost-of-living allowance, if any, that shall be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.
- (d)(i) Cap. In calculations under paragraph (e), the maximum increase in the BLS CPI that will be taken into account will be as follows:

<u>Effective Date</u> <u>of Adjustment</u>	<u>Maximum CPI Increase That</u> <u>May Be Taken Into Account</u>
July 1, 2010	3% of September 2009 CPI
January 1, 2011	6% of September 2009 CPI, less the increase from September 2009 to March 2010

Effective Dates of Adjustment and Maximum CPI Increases conforming to the above schedule will be applicable to periods subsequent to those specified above during which this Article is in effect.

- (ii) Limitation. In calculations under paragraph (e), only fifty (50) percent of the increase in the BLS CPI in any measurement period shall be considered.
- (iii) If the increase in the BLS CPI from the base month of September 2009 to the measurement month of March 2010 exceeds 3% of the September base index, the measurement period that will be used for determining the cost-of-living adjustment to be effective the following January will be the 12-month period from such base month of September; the increase in the index that will be taken into account will be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account

will be 6% of such September base index less the 3% mentioned in the preceding clause, to which shall be added any residual tenths of points which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which will have become effective July 1, 2010 during such measurement period.

- (iv) Any increase in the BLS CPI from the base month of September 2009 to the measurement month of September 2010 in excess of 6% of the September 2009 base index will not be taken into account in the determination of subsequent cost-of-living adjustments.
- (v) The procedure specified in subparagraphs (iii) and (iv) will be applicable to all subsequent periods during which this Article is in effect.
- (e) Formula. The number of points change in the BLS CPI during a measurement period, as limited by paragraph (d), will be converted into cents on the basis on one cent equals 0.3 full points. (By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)

The cost-of-living allowance in effect on December 31, 2010 will be adjusted (increased or decreased) effective January 1, 2011 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the BLS CPI during the applicable measurement period. Any residual tenths of a point resulting from such division will be dropped. The result of such division will be added to the amount of the cost-of-living allowance in effect on December 31, 2010 if the BLS CPI will have been higher at the end than at the beginning of the measurement period, and subtracted therefrom if the index will have been lower at the end than at the beginning of the measurement period, but only to the extent the allowance remains at zero or above. The same procedure will be followed in applying subsequent adjustments.

- (f) Continuance of the cost-of-living allowance and the adjustments thereto provided herein is dependent upon the availability of the official monthly BLS Consumer Price Index (CPI-W) calculated on the same basis as such Index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor should, during the effective period of this Article, revise or change the methods or basic data used in calculating such index in such a way as to affect the direct comparability of such revised or changed index with the CPI-W Index during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W Index during such measurement period.

Section 2 - Application of Section 1 Cost-of-Living Allowances

The cost-of-living allowance provided for by Section 1 of this Article will not become part of basic rates of pay. Such allowance and the adjustments thereto will be applied as follows:

- (a) Hourly Rates - Add the amount of the cost-of-living allowance to the hourly rate of pay produced by application of Article I.
- (b) Minimum Daily Increases - The increase in rates of pay described in paragraph (a) shall be not less than eight times the applicable increase per hour for each full time day of eight hours, required to be paid for by the rules agreement. In instances where under the existing rules agreement an employee is worked less than eight hours per day, the increase will be determined by the number of hours required to be paid for by the rules agreement.
- (c) In making calculations under this Article, fraction of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

Section 3 - Elimination of Previous Cost-of-Living Provisions

This Article replaces any previous cost-of-living provision in effect prior to the effective date of this agreement, and the arrangements set forth in this Article shall remain in effect according to the terms thereof until revised by the parties pursuant to the Railway Labor Act. Any payments due or paid under previous cost-of-living provisions shall expire as of the effective date of this agreement and shall be applied towards any retroactive pay increases.

APPENDIX C - CONTRACTING OUT

ARTICLE IV - CONTRACTING OUT

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

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

Nothing in this Article IV shall affect the existing rights of either party in connection with contracting out. Its purpose is to require the carrier to give advance notice and, if requested, to meet with the General Chairman or the designated representative to discuss and if possible reach an understanding therewith.

Existing rules with respect to contracting out on individual properties may be retained in their entirety in lieu of this rule by an organization giving written notice to the carrier involved at any time within 90 days after the date of this agreement.

(From the May 17, 1968 Agreement)

APPENDIX C - 1 - CONTRACTING OUT

NATIONAL RAILWAY LABOR CONFERENCE
1901 L STREET NW WASHINGTON D C 20036/AREA CODE 202 - 862 -7200

CHARLES I. HOPKINS, Jr.
Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
General Counsel

R. T. KELLY
Director of Labor Relations

December 11, 1981

Mr. O. M. Berge, President
Brotherhood of Maintenance of Way Employees
12050 Woodward Avenue
Detroit, Michigan 48203

Dear Mr. Berge:

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

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

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

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

The initial meeting of the Committee shall occur within sixty days of the date of the December 11, 1981 National Agreement. At that meeting, the parties will establish a regular meeting schedule so as to ensure that meetings will be held on a periodic basis.

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

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

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

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

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

Very truly yours,

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

I concur:

(Original signed by O. M. Berge)

APPENDIX C - 2 - CONTRACTING OUT

ARTICLE XV - SUBCONTRACTING

Section 1

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

Section 2

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

(From the September 26, 1996 National Agreement
adopted under Article XXI of the October 28, 1996 IC-BMWE Agreement)

APPENDIX C - 3 – EMPLOYEE PROTECTION/ CONTRACTING OUT/ EMPLOYMENT LEVEL

(Article IV of the September 25, 2001 Agreement)

- (a) ~~All employees who are in active service on October 1, 2001 will be retained in active service unless or until retired, discharged for cause, or otherwise removed by natural attrition.~~
- (b) ~~It shall not be a violation of paragraph (a) to remove an employee from service because of physical disqualification or for disciplinary reasons.~~
- (c) ~~Notwithstanding other provisions of this Article, the company shall have the right to make force reductions under emergency conditions such as flood, snowstorm, hurricane, earthquake, fire or strike, provided that operations are suspended in whole or in part because of such emergencies. When forces have been so reduced, and thereafter as operations are restored upon termination of the emergency, employees entitled to preservation of employment will be recalled.~~
- (d) ~~The total number of active employees assigned to regular full time positions will be no less than five hundred seventy (570). This shall include no less than 70 employees assigned to the Western Region and a total of no less than 485 employees assigned to the combined Northern and Southern Regions. The company will have the unilateral right to contract out work within the scope of this agreement and shall not be required to give advance notice of intent to the organization.~~
- (e) ~~The provisions of paragraph (d) remain in effect when forces are temporarily reduced when a suspension of operations in whole or in part is due to labor dispute between the company and any of its employees and during temporary force reductions under emergency conditions, such as flood, snowstorm, hurricane, tornado, earthquake, fire, or labor dispute other than as identified above, provided that such conditions result in suspension of operations in whole or in part.~~

- ~~(f) Other than for reasons specified in paragraph (e), in the event the number of active employees assigned to regular full time positions falls below the level specified in paragraph (d) for more than sixty (60) days, the company shall, at the end of each subsequent month, pay a time claim, at the trackman's rate of pay to the claimant(s) of the organization's choice, equivalent to the difference between the total accumulated straight time hours the company would have incurred if the specified number of employees were in active service and the actual accumulated straight time hours paid. In the event the individual to be paid is a furloughed employee, the amount of payment will be calculated in accordance with the provisions of the February 7, 1965 agreement.~~
- ~~(g) Employees who accept voluntary furlough status under the provisions of Rule 29 shall be counted as active in computing the level specified in paragraph (d), but shall not be entitled to the benefits of this rule.~~
- ~~(h) The number of active employees specified in paragraph (d) is based on the trackage of Cedar River Railroad Company, Chicago, Central & Pacific Railroad Company and Illinois Central Railroad Company as it exists as of May 21, 2007. In the event conditions of the railroad change with respect to trackage, in amount that would require a significant change in the number of active employees specified in paragraph (d), said number shall be subject to renegotiation between the company and the organization.~~
- ~~(i) If the parties are unable to agree on the specified number of active employees, either party may submit the dispute to final and binding arbitration. Each party will submit its proposed number to the arbitrator with supporting argument, and the arbitrator will select one of the two proposed numbers.~~
- ~~(j) Employees hired after October 1, 2001 will become subject to the provisions of paragraph (a) of this Article upon completion of ten (10) years of seniority.~~
- ~~(k) On or after December 1, 2003, either party may give the other party sixty (60) days written notice to cancel the provisions of this article. Absent such notice this article shall remain in effect until changed in accordance with the Railway Labor Act.~~

**APPENDIX C - 4 – UNDERSTANDING REGARDING EMPLOYEE
PROTECTION/CONTRACTING OUT/EMPLOYMENT LEVEL**

Mr. Hayward J. Granier, General Chairman _____ September 25, 2001
 Brotherhood of Maintenance of Way Employes
 302 East Broadway, Suite B
 P.O. Box 329
 Mayfield, KY 42066

Dear Mr. Granier:

This will confirm our understandings regarding Article IV of the agreement of this date (reprinted as Appendix C 3). In our discussions we agreed to the following concepts:

- ~~(1) Employees with seniority as of the date of this agreement, who are not working on a position subject to this agreement on October 1, 2001, will be covered by the provisions of paragraph (a) upon return to active service. No employee covered by paragraph (a) shall lose the protection of paragraph (a), except by dismissal for cause, resignation, retirement, permanent disability, physical disqualification or death. An individual covered by the provisions of paragraph (a) who is dismissed for cause, and who is subsequently reinstated, will regain the protection of paragraph (a).~~
- ~~(2) The company will not use the provisions of this agreement to significantly alter the makeup of the current workforce.~~
- ~~(3) We agreed that the company will not use outside contractors to supplant our existing workforce during off hours and on rest days in an effort to deny the existing workforce overtime opportunities. This commitment does not require the company to call individuals from another location to perform work in lieu of using an outside contractor.~~
- ~~(4) This agreement does not limit an individual's right to file a claim under the provisions of the February 7, 1965 agreement, which shall remain in effect.~~
- ~~(5) During the period of time in which [Appendix C 3] is in effect, the fourth paragraph of Appendix P is amended to read as follows: "The company will have no less than four (4) backhoe operator positions on each of the seniority territories," the remaining provisions of said paragraph and any related claims settlements are suspended.~~

Yours truly, _____

(Original signed by J. S. Gibbins) _____
 Director – Labor Relations

APPENDIX D - VACATIONS

NON-OPERATING (M of W) NATIONAL VACATION AGREEMENTS

Vacation Agreement of December 17, 1941, as supplemented, amended, and/or interpreted to December 11, 1981, between Carriers' and Employees' National Conference Committee-Non-Ops, applicable to employees of the Maintenance of Way and Structures Department.

1. (a) An annual vacation of five (5) consecutive workdays 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 workdays 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 and who, during such period of continuous service renders compensated service of 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 year of continuous service and who, during such period of continuous service renders compensated service of 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 workdays 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 workdays 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 1950-1958 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of twenty-five (25) of such years, not necessarily consecutive.

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

(g) Service rendered under agreements between a carrier and one or more of the Non-Operating Organizations parties 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 the employee's own sickness or because of the employee's own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days of 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) 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 the employee's return. In the event such an employee does not return to service in the following year for the same carrier the employee will be compensated in lieu of the vacation the employee has qualified for provided the employee files written request therefor to the employee's employing officer, a copy of such request to be furnished to the employee's local or general chairman.

2. The terms of this agreement shall not be construed to deprive any employee of such additional vacation days as the employee 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.

An employee's vacation period will not be extended by reason of any of the recognized holidays or any holiday which by local agreement has been substituted therefor, falling within the employee's vacation period.

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

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

(b) The Management may upon reasonable notice (of thirty (30) days or more, if possible, but in no event less than fifteen (15) days) require all or any number of employees in any plant, operation, or facility, who are entitled to vacations to take vacations at the same time. The local committee of each organization affected signatory hereto and the proper representative of the carrier will cooperate in the assignment of remaining forces.

4. 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 the employee's vacation period in addition to the employee's regular vacation pay.

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

5. 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 the employee's return from vacation, the carrier shall not be required to provide such relief worker.

6. 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 (a) 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 the employee's 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 the employee's 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 paragraphs (a), (b), (c), or (d) of this section will be paid on the basis of the average daily straight time compensation earned in the last pay period preceding the vacation during which the employee performed service.

7. 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 a furlough the employee shall at the time of such termination be granted full vacation pay earned up to the time the employee leaves the service including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year if the employee has qualified therefor under Article 1. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or the employee's estate, in that order of preference.

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

9. (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 the employee's 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 per cent of the work load of a given vacationing employee can be distributed among fellow employees without the hiring of a relief worker unless a larger distribution of the work load is agreed to by the proper local union committee or official.

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

10. 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.

11. (a) Except as otherwise provided in this agreement a carrier shall not be required to assume greater expense because of granting a vacation than would be incurred if an employee were not granted a vacation and was paid in lieu 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 the employee had remained on the job, the relief worker shall be compensated in accordance with existing regular relief rules.

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

(c) A person other than a regularly assigned relief employee temporarily hired solely for vacation relief purposes will not establish seniority rights unless so used more than 60 days in a calendar year. If a person so hired under the terms hereof acquires seniority rights, such rights will date from the day of original entry into service unless otherwise provided in existing agreements.

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

13. Any dispute or controversy arising out of the interpretation or application of any of the provisions of this agreement shall be referred for decision to a committee, the carrier members of which shall be the Carriers' Conference Committees signatory hereto, or their successors; and the employee members of which shall be the Chief Executives of the Fourteen Organizations, or their representatives, or their successors. Interpretations or applications agreed upon by the carrier members and employee members of such committee shall be final and binding upon the parties to such dispute or controversy.

This section is not intended by the parties as a waiver of any of their rights provided in the Railway Labor Act as amended, in the event committee provided in this section fails to dispose of any dispute or controversy.

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

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

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

APPENDIX E - UNION SHOP AGREEMENT

EXCERPTS FROM THE UNION SHOP AGREEMENT

IT IS AGREED

Section 1.

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

Section 2.

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

Section 3.

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

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

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

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

Section 4.

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

Section 5.

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

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

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

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

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

If the decision on such appeal is that the employee has not complied with the terms of this agreement, the employee's seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below,

or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved requests the selection of a neutral person to decide the dispute as provided in Section 5 (c) below. Any request for selection of a neutral person as provided in Section 5 (c) below shall operate to stay action on the termination of seniority and employment until not more than ten calendar days from the date decision is rendered by the neutral person.

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

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

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

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

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

Section 6.

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

Section 7.

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

If the final determination under Section 5 of this agreement is that an employee's seniority and employment is a craft or class shall be terminated, no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or noncompliance with any part of this agreement shall arise or

accrue during the period up to the expiration of the 60 or 90 day periods specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such periods, no provision of any other agreement between the parties 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 noncompliance with any provision of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated, the employee's continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8.

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

Section 9.

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

Section 10.

(a) The carrier shall periodically deduct from the wages of employees subject to this agreement periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such organizations, and shall pay the amount so deducted to such officer of the organization as the organization shall designate: Provided, however, that the requirements of this subsection (a) shall not be effective with respect to any individual employee until the employee has furnished the carrier with a written assignment to the organization of such membership dues, initiation fees and assessments, which assignment shall be revocable in writing after the expiration of one of year or upon the termination of this agreement whichever occurs sooner.

(b) The provisions of subsection (a) of this section shall not become effective unless and until the carrier and the organization shall, as a result of further negotiations pursuant to the recommendations of Emergency Board No. 98, agree upon the terms and conditions under which such provisions shall be applied; such agreement to include, but not be restricted to, the means of making said deductions, the amounts to be deducted, the form, procurement and filing of authorization certificates, the frequency of deductions, the priority of said deductions with other deductions now or hereafter authorized, the payment and distributions of amounts withheld and any other matters pertinent thereto.

Section 11.

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

APPENDIX F - DUES DEDUCTION AGREEMENT

Section I

A. The Company shall, subject to the terms and conditions of this agreement, make quarterly deduction or sums for initiation fees, membership dues and assessments (not including fines and penalties) uniformly required as a condition of retaining union membership, due the Brotherhood from the wages due and payable to employees working under agreements between the Company and the Brotherhood, who are members of the Brotherhood, and who have so authorized the Company by signed authorizations in the form set forth in Exhibit "A" attached hereto.

B. The authorization form set forth in Exhibit "A" may be revoked in writing to the General Chairman after the expiration of one year, such revocation to be in the form set forth in Exhibit "B" attached hereto. The authorization forms and the revocation of wage assignment authorization forms shall be furnished to its members by the Brotherhood at the expense of the Brotherhood.

C. The Brotherhood shall assume the full responsibility for the procurement and proper execution of said authorization forms, and for delivery of said forms to the Manager, Disbursement Accounting or other officer designated by the Company no later than the first day of the second payroll period of the month from which the deductions are to be made. Likewise, revocation of authorization forms shall be delivered by the Brotherhood to the designated officer of the Company not later than the first day of the second payroll period of the month in which termination of deductions is to take place.

Section II

A. Deductions, as provided herein, shall be made by the Company in accordance with a master deduction list prepared by the General Chairman of the Brotherhood, listing each affected employee arranged alphabetically by lodges, showing name and employee number, and furnished to the Manager, Disbursement Accounting or other officer designated by the Company in the form attached hereto and set forth as Exhibit "C." Such list, together with authorization forms, shall be furnished to the Company on or before the first day of the month preceding the month in which deductions are to take effect under the provisions of this agreement.

B. Thereafter, any deletions or additions to the master deduction list, or any changes in the amounts to be deducted from the wages of employees, shall be furnished to the Manager, Disbursement Accounting or other officer designated by the Company not later than the first day of the second payroll period of the month in which such changes are to be made, such information to be accompanied by the proper authorization or revocation forms. Additions to the master deduction list will be made on Master Deduction List form (Exhibit "C"). Any changes in the amounts to be deducted and deletions shall be given to the Manager, Disbursement Accounting or other officer designated by the Company not later than the first day of the second payroll period of the month on a copy of the list the Company will furnish the General Chairman, which is referred to in Section IV of this agreement and attached hereto as Exhibit "D".

Section III

A. Deductions will be made from the wages earned in the second payroll period of the first month of the quarter following the month in which the aforementioned certified statements are furnished to the company. Amounts deducted from the wages of employees in accordance with this agreement shall be included on the stub attached to the employee's pay draft. Deductions shall not be made from special payrolls or from time vouchers.

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

1. Federal, state and municipal taxes.
2. Deductions required by law and court orders, including garnishments, liens, and other wage assignments which the Company must respect.
3. Amounts due the Company.
4. Group insurance premiums and Hospital Association dues.

5. Prior valid assignments and deductions including payroll savings plans or community service contributions.

C. No deduction will be made from the wages of any employee who does not have due him/her for the pay period specified an amount equal to the sum to be deducted in accordance with this agreement. In cases where no deduction is made from the wages of an employee due to insufficient earnings, or for other reasons, the amounts not deducted shall not be added to deduction lists nor will that deduction be made for the employee in any subsequent payroll period.

D. Responsibility of the Company under this agreement shall be limited to remitting to the Brotherhood amounts actually deducted from the wages of employees pursuant to this agreement. The Company shall not be responsible financially or otherwise for failure to make deductions or for making improper or inaccurate deductions. Any questions arising as to the correctness of the amounts deducted shall be handled between the employee involved and the General Chairman, and any complaints against the Company in connection therewith shall be handled with the Company by the General Chairman. Nothing herein shall be construed as obligating the Company to collect any dues or assessments from employees who leave its service, or who give up membership in the Brotherhood for any reason, or whose wages shall be involved in any claim or litigation or any nature whatsoever.

Section IV

The company will remit to the General Chairman the amounts due the Brotherhood deducted from the wages of members, making such remittances not later than the last day of the month following the month from which the deductions are made. The Company will, at the time of such remission, furnish the General Chairman a list of the employees, grouped by Lodge number in alphabetical order, showing the employee's name and employee number, from whom the deductions were made, showing the amount of such deductions. Such list, referred to also in Section II-B, will be in duplicate and in the form attached hereto identified as Exhibit "D".

Section V

Except for remitting to the Brotherhood monies deducted from the wages of employees, as described in Section IV hereof, the Brotherhood shall indemnify, defend and save harmless the Company from and against any and all claims, demands, liability, losses or damage resulting from the entering into this agreement or arising or growing out of any dispute or litigation from any deductions made by the Company from the wages of its employees for or on behalf of the Brotherhood.

Section VI

A. This agreement is subject to cancellation by written notice of 180 days to the General Chairman of the Brotherhood if the Company is required by federal law or the law of any state in which it operates, to change its pay dates or payroll procedures in such a manner as to make dues deduction an unreasonable burden.

B. This agreement shall be automatically terminated as of the date official notification is received from the National Mediation Board of a change in the representation of employees now represented by the Brotherhood signatory to this agreement, or upon termination of the rules and working conditions agreement between the parties.

Section VII

No part of this agreement shall be used in any manner whatsoever directly or indirectly as a basis for a grievance (except as provided in Section III-D) or time claim by or in behalf of an employee.

Signed in Chicago, Illinois, this 14th day of May, 1973

FOR THE
Brotherhood of Maintenance of
Way Employes
(Original signed by G. D. Wilson)
General Chairman

FOR THE
Illinois Central Railroad Company

(Original signed by R. G. Richter)
Manager of Labor Relations

(Original signed by T.A. Steel)
Contract Counselor

APPENDIX G - VOLUNTARY POLITICAL CONTRIBUTIONS

The Dues Deduction Agreement of June 8, 1972 is amended to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and basis:

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

(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 thereafter until canceled by the employee upon written notice to the Brotherhood and the Carrier by Registered or Certified Mail on or before the last day of the month in which such deductions are to be taken. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the Dues Deduction Agreement.
2. The General Chairman or the designated representative shall furnish the Carrier, with copy of appropriate units of the Brotherhood, an initial statement by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amounts will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement showing additions and/or deletions furnished in the same manner as the initial statement required hereinabove.
3. Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employees' paycheck. No deduction shall be made from wages at the same time that membership dues are deducted from the employees' paycheck. No deduction shall be made in any month that the amount of the deduction is not fully covered by an equal amount due the employee in net compensation. Only one monthly contribution shall be deducted in any given month. Deductions will only be made in whole dollar increments.
4. Concurrent with making remittance to the Brotherhood of monthly membership dues, the Carrier will make separate remittance of the voluntary political contributions to the Treasurer, Maintenance of Way Political League, together with a list prepared in accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues with a copy to the General Chairman.
5. The requirements of this Article shall not be effected with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

(From Article XXIV, October 28, 1996 IC-BMWE Agreement)

ATTACHMENT A

**INDIVIDUAL AUTHORIZATION FORM
FOR DEDUCTION OR FEES, DUES, AND ASSESSMENTS**

I hereby assign to the Brotherhood of Maintenance of Way Employes that part of my wages necessary to pay my quarterly union dues as reported to the **CEDAR RIVER RAILROAD COMPANY, CHICAGO, CENTRAL & PACIFIC RAILROAD COMPANY or ILLINOIS CENTRAL RAILROAD COMPANY** by the General Chairman of the Brotherhood of Maintenance of Way Employes as provided under the Dues Deduction provisions of the Agreement entered into by and between the Corporation and the Organization, effective October 28, 1996 and I hereby authorize the Corporation to deduct from my wages all such sums and pay them over to the union as provided for in the said Agreement.

This authorization may be revoked by the undersigned in writing after the expiration of one (1) year or upon the termination date of the Union Shop-Dues Deduction provisions of said Agreement, or upon the termination date of the said Agreement, whichever occurs sooner.

TYPE OR PRINT IN INK

NAME _____
 LAST **FIRST** **MIDDLE INITIAL**

HOME ADDRESS _____
 STREET AND NUMBER

 CITY **STATE** **ZIP CODE**

DATE _____

EMPLOYEE IDENTIFICATION NO. _____

OCCUPATION (POSITION TITLE) _____

LOCATION _____

SIGNATURE _____

LODGE NO. _____

APPENDIX H - DISABLED EMPLOYEES

It is hereby agreed that when employees are granted an annuity under provisions of the Railroad Retirement Act on account of disability, the following will govern:

1. (a) When an employee is adjudged to be disabled for employment by the Railroad Retirement Board and granted an annuity on that basis under provisions of the Railroad Retirement Act, the position vacated by such employee will be bulletined, if required by the schedule agreement, as a permanent vacancy. Bulletin covering such position will state that the vacancy is due to the assignee accepting the disability provision of the Railroad Retirement Act. If not required the position will not be bulletined.

(b) Seniority rights of such employees shall accrue, accumulate, and be preserved during their absence until they attain the age of 60 or they attain the age of 65 or passes on; and, during their absence, their name shall be carried forward on the seniority roster with notation "disabled".

(c) If an employee granted annuity account disability under the Railroad Retirement Act is subsequently and before reaching ages as stipulated in paragraph (b) adjudged by the Railroad Retirement Board to be no longer disabled for employment and meets the standard physical requirements of the Carrier, the employee will be permitted to return to position formerly held, but with the understanding that if a senior employee holds the annuitant's position and has no position to which the employee can revert, the annuitant cannot return to that former position. But in case such position no longer exists, the employee will be permitted to exercise displacement rights, as provided in the current Maintenance of Way schedule agreement.

2. This agreement shall remain in effect until revised or abrogated, subject to thirty days' written notice by either party.

Signed at Chicago, Illinois, this 14th day of May, 1973.

FOR THE
Brotherhood of Maintenance of
Way Employes

(Original signed by G. D. Wilson)
General Chairman

FOR THE
Illinois Central Railroad Company

(Original signed by R. G. Richter)
Manager of Labor Relations

(Original signed by T.A. Steel)
Contract Counselor

APPENDIX I - STUDENT EMPLOYEE TRAINING PROGRAM

- A. When the Company determines a need for additional qualified candidates for specific positions and or additional employees possessing job specific qualifications, such as but not limited to boom training, crane operator training, steel welding training or confined space training, it may establish a training program, which will be bulletined and made available to employees in accordance with Rules 14 and 3 (h).
- B. Successful applicants will be released from their regularly assigned position to attend the training session. Vacancies created by the application of this rule may be filled at the discretion of the Company in accordance with existing rules.
- C. Employees assigned to training will be paid at the rate of their regularly assigned position for a minimum of eight hours per day. The overtime rate is applicable if training exceeds eight hours per day.
- D. While attending training, an employee whose residence is within 250 miles from the location of the training will be reimbursed in accordance with Rule 36. An employee whose residence is more than 250 miles from the location of the training will be reimbursed for actual and necessary travel and living expenses. Travel between the student's home and classroom or training location will be done on the student's time.
- E. A furloughed employee who is offered training under this rule will not receive pay for attending training. Such employees will be reimbursed for necessary travel and living expenses while attending training.
- F. For a period of three (3) years, effective with the date of completion of training, employees who successfully complete training will be expected to bid on future openings of a specific position or positions with the specific qualifications for which the training is applicable. Employees who have successfully completed training will be given preference over other employees in awarding positions. In the event none of the trained employees bids on subsequent vacancies, the junior trained employee will be assigned to the position. These obligations will apply for three (3) years following completion of training.

The Company shall maintain a list of employees who have successfully completed training, and the date they completed training. Such list shall be posted in January of each year.

APPENDIX J - HEALTH AND WELFARE

- A. All employees previously covered by the CCP/BMWED agreement will remain in their current health and welfare plans.
- B. Effective January 1, 2008, all health and welfare plans applicable to IC employees are cancelled in their entirety and all IC employees subject to this Agreement and their dependents will be covered by the National Health and Welfare Plans (“GA-23000”), the National Dental Plan, the National Vision Plan, and the National Agreement Early Retirement Plan (“GA-46000”), the Supplemental Sickness Benefit Agreement, and the Off-Track Vehicle Insurance Agreement, as subsequently amended and revised, **excluding cost sharing**, in effect between the National Carriers’ Conference Committee and the Brotherhood of Maintenance of Way Employees Division. Retired, disabled and inactive employees will remain in their existing coverage, if any.
- C. Effective January 1, 2008, the amount of employee cost sharing for Health and Welfare Plans shall be one hundred dollars (\$100.00) per month.
- D. During a prescribed election period preceding January 1, 2008, and preceding each January 1 thereafter, employees may certify to the carrier’s designee, in writing, that they have health care coverage (which includes medical, prescription drug, and mental health/substance abuse benefits) under another group health plan or health insurance policy that they identify by name, and where applicable, by group number, and for that reason they elect to forego coverage for foreign-to-occupation health benefits for themselves and their dependents under the plan identified in paragraph B above. Such election is hereafter referred to as an “Opt-Out Election” and, where exercised, will eliminate an employer’s obligation to make a contribution to the plan for foreign-to-occupation health benefits for the employee and his dependents and the employee’s contribution obligation under paragraph C above.

Employees who make an Opt-Out Election will be paid \$100 for each month that the carrier is required to make a contribution to the plan on their behalf for life insurance and accidental death and dismemberment benefits as a result of compensated service rendered, or vacation pay received, by the employee during the prior month; provided, however, that the employee’s Opt-Out Election is in effect for the entire month.

If an event described below occurs subsequent to an employee’s Opt-Out Election, the employee may, upon providing the carrier’s designee with proof satisfactory to it of the occurrence of such event, revoke the Opt-Out Election. An employee may also revoke the Opt-Out Election by providing the carrier’s designee with proof satisfactory to it that, after the employee made the Opt-Out Election, a person became a dependent of the employee through a marriage, birth, or adoption or placement for adoption. Employees who revoke an Opt-Out Election will, along with their dependents, be once again covered (effective the first day of the first month following such revocation that the employee and/or dependents would have been covered but for the Opt-Out Election the employee had previously made) for foreign-to-occupation health benefits under the plans.

The following are the events referred to in the preceding paragraph:

- 1. the employee loses eligibility under, or there is a termination of employer contributions for, the other coverage that allowed the employee to make the Opt-Out Election, or
- 2. if COBRA was the source of such other coverage, that COBRA coverage is exhausted.

It is understood that for purposes of Section 9801(f) of the Internal Revenue Code, (i) any opt-out election shall be treated as a declination of coverage, or failure to enroll, for foreign-to-occupation health benefits under the plans in which the employee making the election may participate, (ii) that the provisions of Section 9801 and the regulations thereunder shall govern how any individual covered by an election to opt-out may nonetheless become covered foreign-to-occupation health benefits under the plans prior to the next regular opt-out election period, (iii) that the terms of Article III D, shall be interpreted and applied so as to be in compliance with Section 9801(f), and (iv) that the carrier’s payment of \$100 per month to an employee who has elected to opt-out shall cease immediately upon the employee or dependent(s) becoming covered, pursuant to Section 9801(f), for foreign-to-occupation health benefits under the plans.

Furthermore, and notwithstanding the above, the parties recognize that an employee may lose coverage under the health plan or health insurance policy that was relied upon in electing to forego coverage for foreign-to-occupation health benefits under the plans, and that such loss of coverage may be attributable to an event that is not listed in Section 9801(f) of the Internal Revenue Code and is beyond the control of the employee or of any member of the employee's family. In such a case, and only to the extent permissible under Section 125 of the Internal Revenue Code: (a) the employee may ask the carrier that the opt-out election be revoked; (b) the carrier may, in its discretion, grant the request in the interest of fairness and equity, and (c) if the request is granted, the employee's opt-out election shall be treated as revoked as of the day the employer received the request.

It was further agreed that if a husband and wife are each covered by insurance plans by virtue of railroad employment and either or both hold positions covered by this agreement, a BMWE-represented spouse may elect to opt-out as provided in Article III D. If that election is made (and provided the other spouse remains so covered), (i) such BMWE-represented spouse shall not receive the \$100/month payment provided in Article III D and shall not be required to make the employee cost-sharing contribution required in Article III C, and (ii) the plans' coordination of benefits rules shall continue to be applicable.

E. Railroad Employees National Health and Welfare Plan
Part A - Plan Changes
Section 1 - Continuation of Plans

The Railroad Employees National Health and Welfare Plan ("the Plan"), the Railroad Employees National Dental Plan ("the Dental Plan"), and the Railroad Employees National Vision Plan ("the Vision Plan"), modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, will be continued subject to the provisions of the Railway Labor Act.

Section 2 – Plan Benefit Changes - MMCP

(a) The Plan's Managed Medical Care Program ("MMCP") will be offered to all employees in any geographic area where the MMCP is not currently offered and United Healthcare, Aetna, or Highmark BlueCross Blue Shield has a medical care network ("white space"). For purposes of this subsection, such "network" shall mean a "point-of-service" network in the case of United Healthcare and Aetna, and a preferred provider network in the case of Highmark BlueCross BlueShield. Employees who live in a white space may choose between coverage under MMCP or the Comprehensive Health Care Benefit, subject to subsection (b) below.

(b) The parties may, by mutual agreement and subject to such evaluation and conditions as they may deem appropriate, designate specific geographic areas within the white space as mandatory MMCP locations. Employees who live in mandatory MMCP locations shall not have a choice between CHCB and MMCP coverage, but shall be enrolled in the MMCP.

(c) United Healthcare and Aetna, respectively, shall apply "nationwide market reciprocity" to employees and their dependents who are enrolled in MMCP. The term "nationwide market reciprocity" is intended to mean, by way of example, that a person enrolled in MMCP with UHC in market A is permitted to get in-network MMCP benefits from a UHC pointof-service network provider in market B.

(d) This Section shall become effective with respect to employees covered by this Agreement on July 1, 2007 or as soon thereafter as practicable.

Section 3 - Design Changes To Contain Costs

(a) The Plan's MMCP shall be revised as follows:

(1) The Office Visit Co-Payment for In-Network

Services shall be increased to \$20.00 for each office visit to a provider in general practice or who specializes in pediatrics, obstetricsgynecology, family practice or internal medicine, and \$35.00 for each office visit to any other provider;

(2) The Urgent Care Center Co-Payment for In-Network

Services shall be increased to \$25.00 for each visit;

(3) The Emergency Room Co-Payment for In-Network

Services shall be increased to at least \$50.00 for each visit, but if the care received meets the applicable Plan definition of an Emergency, the Plan will reimburse the employee for the full amount paid for such care, except for \$25.00 if the visit does not result in hospital admission. For purposes of this Paragraph, the phrase “at least” shall be interpreted and applied consistent with practice under the Plan preceding the date of this Agreement;

(4) The Annual Deductible for Out-of-Network Services shall be increased to \$300.00 per individual and \$900.00 per family;

(5) The Annual Out-of-Pocket Maximum for Out-of-Network Services shall be increased to \$2,000 per individual and \$4,000 per family.

(b) The Plan’s Comprehensive Health Care Benefit shall be revised as follows:

(1) The Annual Deductible shall be increased to \$200.00 per individual and \$400.00 per family;

(2) The Annual Out-of-Pocket Maximum shall be increased to \$2,000 per individual and \$4,000 per family.

(c) The Plan’s Prescription Drug Card Program co-payments to In-Network Pharmacies per prescription are revised as follows:

(1) Generic Drug – increase to \$10.00;

(2) Brand Name (Non-Generic) Drug On Program Administrator’s Formulary – increase to \$20.00;

(3) Brand Name (Non-Generic) Drug Not On Program Administrator’s Formulary – increase to \$30.00;

(4) Brand Name (Non-Generic) Drug on Program Administrator’s Formulary that is not ordered by the patient’s physician by writing “Dispense as Written” on the prescription and there is an equivalent Generic Drug increase to \$20.00 plus the difference between the Generic Drug and the Brand Name (Non-Generic) Drug;

(5) Brand Name (Non-Generic) Drug Not On Program Administrator’s Formulary that is not ordered by the patient’s physician by writing “dispense as Written” on the prescription and there is an equivalent Generic Drug increase to \$30.00 plus the difference between the Generic Drug and the Brand Name (Non-Generic) Drug.

(d) The Plan’s Mail Order Prescription Drug Program co-payments per prescription are revised as follows:

(1) Generic Drug – increase to \$20.00;

(2) Brand Name (Non-Generic) Drug On Program Administrator’s Formulary – increase to \$30.00;

(3) Brand Name (Non-Generic) Drug Not on Program Administrator’s Formulary – increase to \$60.00.

(e) For purposes of the Plan, the term “children” as used in connection with determining “Eligible Dependents” under the Plan, shall be defined as follows:

“Children include:

- o natural children,
- o stepchildren,
- o adopted children (including children placed with you for adoption), and
- o your grandchildren,
 - provided they have their legal residence with you and are dependent for care and support mainly upon you and wholly, in the aggregate, upon themselves, you, your spouse, scholarships and the like, and governmental disability benefits and the like.”

(f) The definition of the term “children”, as used in connection with determinations of “Eligible Dependents” under the terms of the Dental Plan and the Vision Plan, respectively, shall be revised as provided in subsection (e) above.

(g) Blue Cross Blue Shield programs that are currently available under the Plan will be made available for selection by employees covered by this Agreement who choose coverage under the MMCP in all areas where the MMCP is made available under the Plan and throughout the United States for selection by such employees who choose coverage under the CHCB.

(h) During a prescribed election period preceding January 1, 2008, and preceding each January 1 thereafter, employees may certify to the Plan or its designee in writing that they have health care coverage (which includes medical, prescription drug, and mental health/substance abuse benefits) under another group health plan or health insurance policy that they identify by name and, where applicable, by group number, and for that reason they elect to forego coverage for foreign-to-occupation health benefits for themselves and their dependents under the Plan and under any Hospital Association plan in which they participate. Such election is hereafter referred to as an “Opt-Out Election” and, where exercised, will eliminate an employer’s obligation to make a contribution to the Plan and/or dues offset payment to a Hospital Association for foreign-to-occupation health benefits for the employee and his dependents.

Each employee who makes an Opt-Out Election will be paid by his employer \$100 for each month that his employer is required to make a contribution to the Plan on his behalf for life insurance and accidental death and dismemberment benefits as a result of compensated service rendered, or vacation pay received, by the employee during the prior month; provided, however, that the employee’s Opt-Out Election is in effect for the entire month.

If an event described below in the final paragraph of this subsection (h) occurs subsequent to an employee’s Opt-Out Election, the employee may, upon providing the Plan or its designee with proof satisfactory to it of the occurrence of such event, revoke his or her Opt-Out Election. An employee may also revoke his or her Opt-Out Election by providing the Plan or its designee with proof satisfactory to it that, after the employee made the Opt- Out Election, a person became a dependent of the employee through a marriage, birth, or adoption or placement for adoption. An employee who revokes an Opt-Out Election will, along with his or her dependents, be once again covered (effective the first day of the first month following such revocation that the employee and/or his dependents would have been covered but for the Opt-Out Election the employee had previously made) for foreign to-occupation health benefits under the Plan or, in the case of an employee who is a member of a Hospital Association, by the Plan (for dependent coverage) and by the Hospital Association (for employee coverage). See Side Letter No. 6.

The following events are the events referred to in the immediately preceding paragraph:

- (1) the employee loses eligibility under, or there is a termination of employer contributions for, the other coverage that allowed the employee to make the Opt-Out Election, or
- (2) if COBRA was the source of such other coverage, that COBRA coverage is exhausted.

(i) Plan participants and their beneficiaries who live in an area where, as of the date of this Agreement, they may choose between MMCP and CHCB coverage shall no longer have a choice, but shall be enrolled in the MMCP. This subsection is not intended to have any application to employees covered by

this Agreement who reside in any geographic area where MMCP is not offered as of the date of such Agreement. Mandatory enrollment in MMCP for such employees shall be governed exclusively by Part A, Section 2(b) of this Article.

(j) The design changes contained in this Section shall become effective on July 1, 2007 or as soon thereafter as practicable.

F. SUPPLEMENTAL SICKNESS

The January 9, 1980 Supplemental Sickness Benefit Agreement, as subsequently amended (Sickness Agreement), shall be further amended as provided in this Article.

Part A – Plan Benefit Adjustments

Section 1 - Adjustment of Plan Benefits

(a) The benefits provided under the Supplemental Sickness Benefit Plan established pursuant to the Sickness Agreement (“SSB Plan”) shall be adjusted as provided in paragraph (b) so as to restore the same ratio of benefits to rates of pay as existed on December 31, 2004 under the terms of that Agreement.

(b) Section 4 of the Sickness Agreement shall be revised as follows:

	Per Hour	Per Month
Class I Employees Earning (as of December 31, 2004)	\$19.19 or more	\$3,339 or more
Class II Employees Earning (as of December 31, 2004)	\$17.82 or more but less than \$19.19	\$3,101 or more, but less than \$3,339
Class III Employees Earning (as of December 31, 2004)	Less than \$17.82	Less than \$3,101

Basic and Maximum Amount Per Month			
Classification	Basic	RUIA	Maximum
Class I	\$1,033	\$1,218	\$2,251
Class II	\$907	\$1,218	\$2,125
Class III	\$763	\$1,218	\$1,981

Combined Benefit Limit	
Classification	Maximum Monthly Amount
Class I	\$2,415
Class II	\$2,276
Class III	\$2,124

Section 2 - Adjustment of Plan Benefits During Agreement Term

Effective December 31, 2009 the benefits provided under the Plan shall be adjusted so as to restore the same ratio of benefits to rates of pay as existed on the effective date of this Article.

Part B – Notice of Disability

Existing agreements and practices regarding the time within which notices of disability must be filed under the SSB Plan, and the consequences of failure to file within that time period, shall be modified as set forth below.

Section 1 – Notification

A SSB Plan participant shall give the vendor administering claims under the Plan notice of disability, solely with respect to disabilities beginning on or after the date of this Agreement, within sixty (60) days after the start of the disability, unless failure to do so is due to a serious physical or mental injury or illness suffered by the participant, in which case the notice of disability must be given to the vendor as soon as amelioration of such serious physical or mental illness or injury reasonably permits. All claims with regard to which a notice of disability is not given in compliance with this time limitation shall be denied whether or not the SSB Plan has been prejudiced by such noncompliance or the claim is otherwise valid and payable.

Section 2 – Appeals

All final (second-level) appeals from claim denials under the SSB Plan that are pending on the date of this Agreement or are thereafter filed, where disposition of the claim required medical judgment that involved the participant's eligibility for SSB Plan benefits, his or her physical condition, the cause of his or her disability, or the date his or her disability started, will be considered and determined by a Disputes Committee consisting of one or more individuals selected by MCMC, LLC, an independent review entity, or such successor as may be mutually selected by the parties. In the event of a disagreement between the parties regarding selection of a successor, such dispute shall be resolved in the same manner as provided for in the existing arrangements governing disposition of deadlocks on matters brought before the Joint Plan Committee of the National H&W Plan.

Side Letter #5

Mr. Freddie N. Simpson, National President
Brotherhood of Maintenance of Way Employees Division
International Brotherhood of Teamsters
20200 Civic Center Drive, Suite 320
Southfield, MI 48076

Dear Mr. Simpson:

Article IV, Part A, Section 3(h) of the Agreement of this date (Agreement) provides employees with an option to opt out of coverage for foreign-to-occupation health benefits for themselves and their dependents under the Plan and under any Hospital Association plan in which they participate. This will confirm our understanding with respect to the intended application of that provision.

1. An employee who opts out will be opting out of FO health coverage only and (if he otherwise satisfies eligibility and coverage requirements) will continue to have on-duty injury coverage, coverage under the Dental and Vision Plans, and life and AD&D insurance coverage.

2. If a husband and wife are each covered by the Plan (or the NRC/UTU Plan or a Hospital Association) by virtue of railroad employment and either or both hold positions covered by this Agreement, a BMWED represented spouse may elect to opt out as provided in Section 3(h). If that election is made (and provided the other spouse remains so covered), (i) such BMWED-represented spouse shall not receive the \$100/month payment provided in Section 3(h) and shall not be required to make the employee cost sharing contributions required under Article IV, Part B, and (ii) the Plan's coordination of benefits rules in effect on the date of this Agreement that are applied when a husband and wife are covered under the Plan both as an Eligible Employee and as an Eligible Dependent shall continue to be applicable.

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

Very truly yours,

Robert F. Allen

I agree:

F. N. Simpson

Side Letter #6

Mr. Freddie N. Simpson, National President
Brotherhood of Maintenance of Way Employees Division
International Brotherhood of Teamsters
20200 Civic Center Drive, Suite 320
Southfield, MI 48076

Dear Mr. Simpson:

This confirms our understanding with respect to the opt-out provision, Article IV, Part A, Section 3(h) of our Agreement of this date.

It is understood that for purposes of Section 9801(f) of the Internal Revenue Code, (i) any opt-out election shall be treated as a declination of coverage, or a failure to enroll, for foreign-to-occupation health benefits under the Plan and under any Hospital Association plan in which the employee making the election may participate, (ii) that the provisions of Section 9801(f) and the regulations there under shall govern how any individual covered by an election to opt-out may nonetheless become covered for foreign-to-occupation health benefits under the Plan or any Hospital Association plan prior to the next regular opt-out election period, (iii) that the terms of Article IV, Part A, Section 3(h) of our Agreement shall be interpreted and applied so as to be in compliance with Section 9801(f), and (iv) that the employer's payment of \$100 per month to an employee who has elected to opt-out shall cease immediately upon the employee and/or his dependents or any one of his dependents becoming covered, pursuant to Section 9801(f), for foreign-to-occupation health benefits under the Plan or any Hospital Association plan.

Furthermore, and notwithstanding the above, the parties recognize that an employee may lose coverage under the health plan or health insurance policy that he or she relied upon in electing to forego coverage for foreign-to occupation health benefits under the Plan, and that such loss of coverage may be attributable to an event that is not listed in Section 9801(f) of the Internal Revenue Code and is beyond the control of the employee or of any member of his or her family. In such a case, and only to the extent permissible under Section 125 of the Internal Revenue Code: (a) the employee may ask his/her employer that his or her opt-out election be revoked; (b) the employer involved may in its discretion grant the request in the interest of fairness and equity; and (c) if the request is granted, the employee's opt-out election shall be treated as revoked as of the day the employer received the request.

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

Very truly yours,

Robert F. Allen

I agree:

F. N. Simpson

Side Letter #7

Mr. Freddie N. Simpson, National President
Brotherhood of Maintenance of Way Employes Division
International Brotherhood of Teamsters
20200 Civic Center Drive, Suite 320
Southfield, MI 48076

Dear Mr. Simpson:

This confirms our understanding regarding the Agreement of this date.

Beginning with the first full calendar month immediately following the date of this Agreement in which an active employee receives his or her FO healthcare benefits from a Hospital Association and not from the National Health & Welfare Plan and makes a prospective Plan contribution pursuant to Article IV, Part B, Section 4, the carrier shall pay the Hospital Association for such month an amount equal to the Reduction Factor, provided that the Hospital Association that receives such payment has agreed to decrease the employee's dues by the same amount.

For purposes of this Side Letter, the term "Reduction Factor" means with respect to any given month, the smallest of:

- (i) the monthly dues amount in effect on January 1, 2003 that was established by the Hospital Association for payment by an active employee,
- (ii) the "cost-sharing contribution amount" for the month referred to in Article IV, Part B, Section 1, or
- (iii) the monthly dues amount established by the Hospital Association for payment by an active employee in that month.

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

Very truly yours,

Robert F. Allen

I agree:

F. N. Simpson

APPENDIX K - IC – GM & O MERGER PROTECTION AGREEMENT

(Agreement for protection of employees of the **ILLINOIS CENTRAL GULF RAILROAD COMPANY** dated September 15, 1972 and all applicable appendices remain in effect but are not reproduced herein.)

APPENDIX L - FEBRUARY 7, 1965 AGREEMENT

Excerpts from the
February 7, 1965 Agreement

ARTICLE I - PROTECTED EMPLOYEES

Section 1 -

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

Section 2 -

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

Section 3 -

In the event of a decline in a carrier's business in excess of 5 per cent in the average percentage of both gross operating revenue and net revenue ton miles in any 30-day period compared with the average of the same period for the years 1963 and 1964, a reduction in forces in the crafts represented by each of the organizations signatory hereto may be made at any time during the said 30-day period below the number of employees entitled to preservation of employment under this Agreement to the extent of one per cent for each one per cent the said decline exceeds five per cent. The average percentage of decline shall be the total of the per cent of decline in gross operating revenue and per cent of decline in net revenue ton miles divided by two. Advance notice of any such force reduction shall be given as required by the current Schedule Agreements of the organizations signatory hereto. Upon restoration of a carrier's business following any such force reduction, employees entitled to preservation of employment must be recalled in accordance with the same formula within 15 calendar days.

Section 4 -

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

Section 5 -

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

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

Section 1 -

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

Section 2 -

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

Section 3 -

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

ARTICLE III - IMPLEMENTING AGREEMENTS

Section 1 -

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

Section 2 -

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

Section 3 -

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

Section 4 -

In the event the representatives of the carrier and organizations fail to make an implementing agreement within 60 days after notice is given to the general chairman or general chairmen representing the employees to be affected by the contemplated change, or within 30 days after notice where a 30-day notice is required pursuant to Section 3 hereof, the matter may be referred by either party to the Disputes Committee as hereinafter provided. The issues

submitted for determination shall not include any question as to the right of the carrier to make the change but shall be confined to the manner of implementing the contemplated change with respect to the transfer and use of employees, and the allocation or rearrangement of forces made necessary by the contemplated change.

Section 5 -

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

ARTICLE IV - COMPENSATION DUE PROTECTED EMPLOYEES

Section 1 -

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

Section 2 -

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

Section 3 -

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

Section 4 -

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

Section 5 -

A protected employee shall not be entitled to the benefits of this Article during any period in which the employee fails to work due to disability, discipline, leave of absence, military service, or other absence from the carrier's service, or during any period in which the employee occupies a position not subject to the working

agreement; nor shall a protected employee be entitled to the benefits of this Article IV during any period when furloughed because of reduction in force resulting from seasonal requirements (including lay-offs during Miners' Holiday and the Christmas Season) or because of reductions in forces pursuant to Article I, Sections 3 and 4, provided, however, that employees furloughed due to seasonal requirements shall not be furloughed in any 12-month period for a greater period than they were furloughed during the 12 months preceding the date of this Agreement.

Section 6 -

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

ARTICLE V - MOVING EXPENSES AND SEPARATION ALLOWANCES

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

If the employee elects to transfer to the new point of employment requiring a change in residence, such transfer and change of residence shall be subject to the benefits contained in Sections 10 and 11 of the Washington Agreement notwithstanding anything to the contrary contained in said provisions and in addition to such benefits shall receive a transfer allowance of eight hundred dollars (\$800.) and five working days instead of the "two working days" provided by Section 10(a) of said Agreement.

If the employee elects to resign in lieu of making the requested transfer as aforesaid the employee shall do so as of the date the transfer would have been made and shall be given (in lieu of all other benefits and protections to which the employee may have been entitled under the Protective Agreement and Washington Agreement) a lump sum separation allowance which shall be computed in accordance with the schedule set forth in Section 9 of the Washington Agreement; provided, however, that force reductions permitted to be made under this Agreement shall be in addition to the number of employees who resign to accept the separation allowance herein provided.

Those protected employees who do not have 15 years or more of employment relationship with the carrier and who are required to change their place of residence shall be entitled to the benefits contained in Sections 10 and 11 of the Washington Agreement notwithstanding anything to the contrary contained in such provisions and in addition to such benefits shall receive a transfer allowance of eight hundred dollars \$(800) and five working days instead of "two working days" provided in Section 10(a) of said Agreement.

ARTICLE VI - APPLICATION TO MERGERS, CONSOLIDATIONS AND OTHER AGREEMENTS

Section 1 -

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

Section 2 -

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

Section 3 -

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

Section 4 -

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

ARTICLE VII - DISPUTES COMMITTEE

Section 1 -

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

Section 2 -

The parties to this agreement will select a panel of three potential referees for the purpose of disposing of disputes pursuant to the provisions of this section. If the parties are unable to agree upon the selection of the panel of potential referees within 30 days of the date of the signing of this agreement, the National Mediation Board shall be requested to name such referee or referees as are necessary to fill the panel within five days after the receipt of such request. Each panel member selected shall serve as a member of such panel for a period of one year, if available. Successors to the members of the panel shall be appointed in the same manner as the original appointees.

Section 3 -

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

Section 4 -

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

Section 5 -

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

ARTICLE VIII - EFFECT OF THIS AGREEMENT

This Agreement is in settlement of the disputes growing out of notices served on the carriers listed in Exhibits A, B and C on or about May 31, 1963 relating to Stabilization of Employment, and out of proposals served by the individual railroads on organization representatives of the employees involved on or about June 17, 1963 relating to Technological, Organizational and Other Changes and Employee Protection. This Agreement shall be construed as a separate Agreement by and on behalf of each of said carriers and its employees represented by each of the organizations signatory hereto. The provisions of this Agreement shall remain in effect until July 1, 1967, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

No party to this agreement shall serve, prior to January 1, 1967, any notice or proposal on a national, regional or local basis for the purpose of changing the provisions of this Agreement, or which relates to the subject matter contained in the proposals of the parties referred to in this Article, and that portion of pending notices relating to such subject matters, whether local, regional or national in character, are withdrawn. Any notice or proposal of the character referred to in this paragraph served on or after January 1, 1967 shall not be placed into effect before July 1, 1967.

ARTICLE IX - COURT APPROVAL

This Agreement is subject to approval of the courts with respect to carriers in the hands of receivers or trustees.

APPENDIX M - GROUP A MACHINES

Illinois
Central

Illinois Central Railroad
233 North Michigan Avenue
Chicago, Illinois
60601-5799

Labor Relations Department
312-819-7500

February 15, 1985

Mr. T. F. Vance, General Chairman
Brotherhood of Maintenance of Way Employes
Box 659
Fulton, Kentucky 42041

Dear Mr. Vance:

Confirming our several conversations, the following machines were designated as Group A: Electromatic Tamper MT-115 through MT-124, Switch Undercutters KSU-1 through KSU-3, Yard Cleaner L-12, and Dual Switch Tampers MT-350 through MT-356.

Individuals who were qualified on a machine listed above prior to May 4, 1981 are entitled to the Group A machine operator-mechanic rate whenever they operate that specific type of machine.

Yours truly,

(Original signed by J. S. Gibbins)
Director - Labor Relations

~~APPENDIX N – CAR TOP MATERIAL HANDLER~~

~~Illinois _____ Illinois Central Railroad
Central _____ 233 North Michigan Avenue

Chicago, Illinois
Labor Relations Department _____ 60601-5799
312-819-7500~~

~~Mr. Hayward J. Granier, General Chairman
Brotherhood of Maintenance of Way Employees
Post Office Box 659
Fulton, Kentucky 42014~~

~~Dear Mr. Granier:~~

~~This will confirm the following understanding reached in conference on October 25, 1989, regarding the car top material handler that the company has purchased.~~

- ~~1. _____ The company will establish a position of operator mechanic for the car top material handler. The operator mechanic will be required to move with the machine over the entire railroad, will be responsible for the maintenance of the machine, and may be required to perform other work when not operating the machine.~~
- ~~2. _____ The company will bulletin the operator mechanic position to both seniority districts* and will award the position based on Group B machine operator seniority date, regardless of seniority territory.~~
- ~~3. _____ The work week for the operator mechanic will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator's personal vehicle available at the end of the week. Other than the first and last work day, all days will begin and end at the job site.~~
- ~~4. _____ The operator mechanic will be paid a differential of \$1.35 per hour above the Group B machine operator's rate and will receive expenses in accordance with Rule 36 (b).~~

~~Please indicate your concurrence below.~~

~~Yours truly, _____ I AGREE~~

~~(Original signed by J. S. Gibbins) _____ (Original signed by H. J. Granier)
Director – Labor Relations _____ General Chairman~~

~~*Per conversations of 2011-03-15 with Cathy Cortez, we agreed to pay an additional \$8.00 per diem to both the Brandt Truck and the Material Handler when working on either seniority districts. [North & South]~~

~~**Appendix N Eliminated and replaced with the September 15, 2014 Agreement.~~



Labor Relations
Department
17641 S. Ashland Avenue
Homewood, Illinois 60430

September 15, 2014

Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Scherverville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

This will confirm our understanding regarding the alleged improper "prior rights" displacement of EJ&E employee Lowery, B. [CN PIN # 153417] by IC North employee Wedeking Jr., D. L. [CN PIN # 150930] on Thursday September 11, 2014 involving the Car Top Material Handler that was currently in the Motor Car Shop for repairs in Homewood, IL on IC Northern seniority territory.

During our discussions it was our mutual understanding that CN Manager Labor Relations, Allan L. Brunmeier's letter dated May 7, 2010 (Attached) developed a structure for the proper application of mobile prior rights, as outlined in the January 30, 2009 Implementing Agreement and subsequent side letter of June 25, 2009 (Also Attached) between the Illinois Central Railroad Company, the Wisconsin Central Transportation Corporation, the EJ&E West Company and the BMWED and was intended to allow employees who possess a "prior rights" designation and who have displacement rights to displace onto mobile gangs working in their territories. In this regard, the Car Top Material Handler Machine Number 011071 was in the shop within IC Northern territory for repairs while the operator Lowery remained on EJ&E territory working with other EJ&E employees.

The June 25, 2009 and the January 30, 2009 agreements with the letter of May 7, 2010 were not intended to negate the provisions and clear intent of Appendix N-Car Top Material Handler and Appendix S Brandt Truck as a result of their application contrary to the prior rights concept, nor were they intended to create or permit a situation whereby an employee would be permitted perform work on territories without the prevailing prior rights preference.

For these reasons it was agreed that, Appendix N-Car Top Material Handler and Appendix S-Brandt Truck had application difficulties, contrary to the proper application of these prior rights and consequently it was agreed to replace Appendix N and Appendix S with the following to accommodate a proper application of both appendices to comport with the existing prior rights agreements.

THEREFORE IT IS AGREED THAT:

1. The company may establish position(s) of Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions as described within this agreement. The successful applicant(s) will be required to move with their machine to locations as directed on any portion of the entire Illinois Central Railroad Northern and Southern Regions and will be responsible for maintenance of the machine and may be required to perform other work when not operating the machine. Employees assigned to such Machine Operator positions, will be working under the current CC&P-IC-BMWED working agreement, as subsequently amended, subject to the exceptions contained in this agreement.

2. The company will simultaneously advertise the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions on both the Northern and Southern Region seniority districts and will award the position(s) based on an employee's earliest continuous seniority date (Hire Date) regardless of seniority territory. These positions will be exempt from any former prior rights designations concerning awards and/or displacements.

3. The initial bulletin for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions created by this agreement shall be open to all Employees on all the Illinois Central Railroad Northern and Southern Region seniority districts. Those specific provisions of Rule 14 or other rules requiring employees to remain on a job/assignment for (45), (60) and (180) days ("hold down rules"), whichever is applicable, will be suspended, one time only, in the case of the initial bulletin for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions for employees who are successful applicants for these positions. Except as otherwise specifically provided within this paragraph, all other "hold down rules" within the current working agreement shall remain in full force and effect.

4. The work week of a Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck position established under this Agreement will be established under the Five Day Work Week provisions of Rule 19. The work week for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator Brandt Truck operator will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator's personal vehicle available at the end of the week. Other than the first and last work day of the work week, starting and ending time of the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck operator will be at an assembly point at or near the work site designated by management.

6. Employees working on Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck position shall be eligible for expenses as described in Rule 36(b) of the current IC-CC&P BMWED working agreement, as subsequently amended. In addition, employees working on these positions will also be paid a regional differential of \$1.35 per hour above the applicable Illinois Central Railroad rate of pay and will receive an additional \$8.00 per diem.

7. Except in major emergency circumstances, these positions will be limited to work which is generally associated with the work of the specific machine. There is no intent on the part of the carrier to utilize these positions to perform routine maintenance work not generally associated with work performed by a Car Top Material Handler and/or a Brandt Truck.

8. Except as expressly provided herein, this Agreement will not otherwise change existing agreements between the Company and the Union, nor shall this Agreement be construed to change existing seniority district boundaries.

9. Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the position(s) referenced herein.

10. Upon the effective date of this agreement, Appendices N and S dated October 25, 1989 and August 2002 respectively of the current working agreement covering the same subject matter and positions (Group B Machine Operator-Car Top Material Handler and Group B Machine Operator-Brandt Truck) as contained therein are cancelled in their entirety.

11. If you agree this accurately reflects our discussion and mutual interpretation of the rules as referenced herein as it relates to this issue, please indicate your concurrence in the space provided below and return on signed copy for our files.


12. Signed at Homewood, Illinois this 1st day of October, 2014

Sincerely,

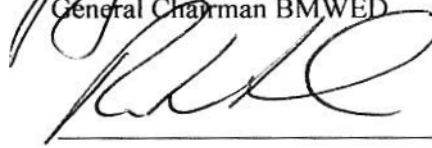
We Concur:



C.K. Cortez
Senior Manager-Labor Relations



Hayward Jude Granier
General Chairman BMWED



Rolando DelMuro
General Chairman BMWED

APPENDIX O - WELDED RAIL PICK UP MACHINE

Illinois
Central

Labor Relations Department
312-819-7500

Illinois Central Railroad
233 North Michigan Avenue
Chicago, Illinois
60601-5799

November 21, 1990

Mr. Hayward J. Granier, General Chairman
Brotherhood of Maintenance of Way
Employes
Post Office Box 659
Fulton, Kentucky 42014

Dr. Mr. Granier:

This will confirm the following understanding reached on November 21, 1990, regarding the welded rail pick-up machine that the company has leased.

1. The company will establish a position of operator-mechanic for the welded rail pick up machine. The operator-mechanic will be required to move with the machine over the entire railroad, will be responsible for the maintenance of the machine, and may be required to perform other work when not operating the machine.
2. The company will bulletin the operator-mechanic position to both seniority districts and will award the position based on Group B machine operator seniority date, regardless of seniority territory.
3. The workweek for the operator-mechanic will generally begin and end at the same location. In instances where this varies, the company will make arrangement to have the operator's personal vehicle available at the end of the week. Other than the first and last workday, all days will begin and end at the job site.
4. The operator mechanic will be paid a differential of \$1.35 per hour above the Group B machine operator's rate and will receive expenses in accordance with Rule 36 (b).

Please indicate your concurrence below.

Yours truly,

(Original signed by J. S. Gibbins)
Director - Labor Relations

I AGREE

(Original signed by H. J. Granier)
General Chairman

APPENDIX P - BACKHOES

Illinois
Central

Labor Relations Department
312-819-7500

Illinois Central Railroad
233 North Michigan Avenue
Chicago, Illinois
60601-5799

September 7, 1989

Mr. H. J. Granier, General Chairman
Brotherhood of Maintenance of Way
Employes
Post Office Box 659
Fulton, Kentucky 42041

Dear Mr. Granier:

This will confirm our understanding reached in conference on September 7, 1989.

We agreed that effective November 6, 1989, the backhoe will be considered a Group B machine. Backhoe operator positions will be bulletined in accordance with existing rules. Successful bidders will be required to have the driver's license necessary to haul the machines from one work location to the next.

The work week for backhoe operators will generally begin and end at the same location. In instances where this varies, arrangements will be made to have the operator's personal vehicle available at the end of the week. Other than the first and last workday, all days will begin and end at a job site.

Backhoe operators will be responsible for the maintenance of their machines and may be required to perform other work when not operating their machines.

It is anticipated that the company will establish four backhoe operator positions on each of the two seniority territories. It was agreed that if the company has four or more bulletined backhoe operators working on a division, as many as four outside operators may be used on that division at any one time without advance notice. In such instances, the company will notify the organization of the use of the outside operator and will pay the Senior Group B operator working in a lower classification the difference in rate between his position and Group B machine operator.

The carrier will meet periodically with the organization to reassess the need for additional backhoe positions and will negotiate toward a limited use of outside contractors.

Mr. H. J. Granier
September 7, 1989
Page 2

Finally, it was agreed that all claims filed because of backhoe work done by outside contractors on or before November 6, 1989, will be settled in conference with the organization prior to the establishment of these positions.

If this agrees with your understanding, please sign and return one copy of this letter.

Yours truly,

(Original signed by J. S. Gibbins)
Director - Labor Relations

I AGREE:

(Original signed by H. J. Granier)
General Chairman

APPENDIX Q - WORK EQUIPMENT HANDLER

August 13, 1982

Mr. G. D. Wilson, General Chairman
Brotherhood of Maintenance of Way Employes
Box 659
Fulton, Kentucky 42041

Dear Mr. Wilson:

This will confirm the understanding reached at our conference on August 12, 1982, regarding the Work Equipment Hauler. The position of Work Equipment Hauler is added to the Work Equipment Sub-Department subject to the following:

- a. In accordance with the April 14, 1981 agreement, the Work Equipment Hauler will be considered a classification (3) position within the subdepartment.
- b. In accordance with the May 15, 1981 letter of understanding, for the purpose of comparing rank between the sub-departments, the Work Equipment Hauler shall be considered classification (1).
- c. The rate of pay shall be the same as work equipment repairman.
- d. Work Equipment Haulers may be assigned to perform any other available work when not performing work within their classification.
- e. Positions will be bulletined in accordance with applicable rules. Successful applicants must possess the necessary license(s) in addition to other fitness and ability qualifications.
- f. Employees currently performing the duties of Work Equipment Hauler will have preference to the positions the first time they are bulletined.

This agreement is effective September 1, 1982.

Yours Truly

(Original signed by J. S. Gibbins)
Manager of Labor Relations

AGREED:

(Original signed by G. D. Wilson)
General Chairman

**APPENDIX R – MOBILE BRIDGE GANG
AGREEMENT**

between
CANADIAN NATIONAL/ ILLINOIS CENTRAL RAILROAD
and
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

IT IS AGREED:

1. ~~The company may establish a Southern Region mobile bridge gang with bulletined territory of the Gulf Division north of milepost 727 in Jackson, Mississippi.~~
2. ~~The gang will consist of one (1) foreman, one (1) assistant foreman, two (2) B&S welders, one (1) carpenter, and two (2) bridgemen.~~
3. ~~Employees who have either Northern Region or Southern Region seniority may bid on the gang or exercise seniority to the gang in the event they have a seniority move available to them. Successful bidders will be determined by seniority in accordance with Rule 3(h), regardless of the Region on which the employee holds seniority. Northern Region employees who are successful bidders to the gang established under this agreement will not establish Southern Region seniority.~~
4. ~~Employees assigned to the gang established in accordance with this agreement will be paid an additional \$8.00 per day under the provisions of Rule 36(b) for each day they work off their regularly assigned seniority territory.~~
5. ~~Employees assigned to the gang established in accordance with this agreement will not be subject to entry rates.~~
6. ~~In the event there are an insufficient number of successful bidders to fill all vacancies in the gang established in accordance with this agreement, the remaining vacancies will be filled with new hires or the bulletins will be cancelled. No employees will be force assigned to the gang established in accordance with this agreement.~~
7. ~~During the period in which the gang established in accordance with this agreement is operating, there will be no reduction in the number of B&B positions on the Gulf Division.~~
8. ~~This agreement is made without prejudice to any position either party may have regarding the assignment of work outside of established seniority territories and it will not be cited by either party in any case that is not related specifically to this agreement.~~
9. ~~This agreement is effective July 30, 2001 and shall remain in effect until it is cancelled by either party giving the other party sixty (60) days advance written notice.~~

Signed the 20th day of July, 2001 in New Orleans, Louisiana.

For the Canadian National/ _____ The Brotherhood of Maintenance
Illinois Central Railroad _____ of Way Employees

(Original signed J. S. Gibbins)
Director – Labor Relations

(Original signed by H. J. Granier)
General Chairman

APPROVED

(Original signed by R. A. Lau)
Vice President

APPENDIX R – 1: BRIDGE GANGS

AGREEMENT

between

CANADIAN NATIONAL/ILLINOIS CENTRAL RAILROAD

and

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES

IT IS AGREED:

1. ~~The company may elect to have the employees working on the Bridge Gang established under the provisions of the July 20, 2001 agreement work an assigned schedule of eight (8) consecutive days, ten (10) hours per day, followed by six (6) consecutive rest days. All hours worked in excess of ten (10) hours per day or on scheduled rest days will be paid at the appropriate overtime rate.~~
 2. ~~The company must give at least five (5) days advance notice to the employees on the gang prior to effective date of the change in work schedule.~~
 3. ~~When such a work schedule is established, the employees on the gang may exercise a displacement from the gang at the time the change occurs. To exercise such displacement, the employee must advise his supervisor, in writing, within forty eight hours (48) hours of the time of notification of the proposed change.~~
 4. ~~Rules in effect covering payment for service performed on rest days will apply to those scheduled rest days provided in this rule. Time worked prior to or after the conclusion of regularly assigned hours will be paid for in accordance with the overtime provisions of the Agreement.~~
 5. ~~When a holiday falls on the first day of the work schedule, the employees will observe the holiday and an additional day will be added to the end of the work schedule for that time period. If the holiday falls in the middle of the work schedule, the employees will be required to perform service at the straight time rate and will be compensated eight (8) hours pay at the end of the work schedule.~~
 6. ~~For vacation and holiday qualifying purposes, employees assigned to the schedule as provided for herein will be allowed credit of one and one quarter (1.25) days for each day worked.~~
 7. ~~Employees absent on vacation during the period such schedule is in effect, will be compensated while on vacation on the basis of ten (10) hours per day at the straight time rate and one and one quarter days (1.25) days will be charged against the number of vacation days to which entitled.~~
 8. ~~Employees assigned to the gang established in accordance with this agreement will be paid an additional \$4.00 per day for each day of work. This is addition to the \$8.00 per day allowed under the July 20, 2001 agreement.~~
 9. ~~Either party may terminate this agreement, by serving a fifteen (15) day notice.~~
- ~~Signed the 31st day of July, 2003 in Homewood, Illinois.~~

~~FOR THE CANADIAN
NATIONAL/ILLINOIS
CENTRAL RAILROAD~~

~~THE BROTHERHOOD
OF MAINTENANCE OF
WAY EMPLOYES~~

~~(Original signed by C. K. Cortez)
Manager – Labor Relations~~

~~(Original signed by H. J. Granier)
General Chairman~~

~~Approved:~~

~~(Original signed by J. R. Cook)
Vice President~~

APPENDIX S – BRANDT TRUCK

August 8, 2002

Mr. Hayward J. Granier, General Chairman
Brotherhood of Maintenance of Way Employes
302 East Broadway, Suite B
P.O. Box 329
Mayfield, KY 42066

Dear Mr. Granier:

This will confirm the following understanding reached with Cathy Cortez during the week of June 10, 2002, regarding the establishment of a Brandt Truck position to work throughout the entire Gulf Division:

1. ~~The company will bulletin a position of Group B Machine Operator — Brandt Truck. The successful bidder will be required to move with the Truck over the entire Gulf Division, will be responsible for maintenance of the machine, and may be required to perform other work when not operating the machine.~~
2. ~~The company will bulletin the Brandt Truck position to both seniority districts and will award the position based on the provisions of Rule 3(h), regardless of seniority territory.~~
3. ~~The work week for the Brandt Truck operator will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator’s personal vehicle available at the end of the week. Other than the first and last work day, all days will begin and end at the job site.~~
4. ~~The operator will be paid a differential of \$1.35 per hour above the Group B machine operator’s rate, will receive expenses in accordance with Rule 36(b), and will receive an additional \$8 per diem when *working on that part of the Gulf Division on which the operator does not have seniority.~~

Yours truly, _____ I AGREE

(Original signed by J. S. Gibbins) _____ (Original signed by H. J. Granier)
Director – Labor Relations _____ General Chairman

~~*Per conversations of 2011-03-15 with Cathy Cortez, we agreed to pay an additional \$8.00 per diem to both the Brandt Truck and the Material Handler when working on either seniority districts. [North & South]~~

~~**Appendix N Eliminated and replaced with the September 15, 2014 Agreement.~~



Labor Relations
Department
17641 S. Ashland Avenue
Homewood, Illinois 60430

September 15, 2014

Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Schererville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

This will confirm our understanding regarding the alleged improper "prior rights" displacement of EJ&E employee Lowery, B. [CN PIN # 153417] by IC North employee Wedeking Jr., D. L. [CN PIN # 150930] on Thursday September 11, 2014 involving the Car Top Material Handler that was currently in the Motor Car Shop for repairs in Homewood, IL on IC Northern seniority territory.

During our discussions it was our mutual understanding that CN Manager Labor Relations, Allan L. Brunmeier's letter dated May 7, 2010 (Attached) developed a structure for the proper application of mobile prior rights, as outlined in the January 30, 2009 Implementing Agreement and subsequent side letter of June 25, 2009 (Also Attached) between the Illinois Central Railroad Company, the Wisconsin Central Transportation Corporation, the EJ&E West Company and the BMWED and was intended to allow employees who possess a "prior rights" designation and who have displacement rights to displace onto mobile gangs working in their territories. In this regard, the Car Top Material Handler Machine Number 011071 was in the shop within IC Northern territory for repairs while the operator Lowery remained on EJ&E territory working with other EJ&E employees.

The June 25, 2009 and the January 30, 2009 agreements with the letter of May 7, 2010 were not intended to negate the provisions and clear intent of Appendix N-Car Top Material Handler and Appendix S Brandt Truck as a result of their application contrary to the prior rights concept, nor were they intended to create or permit a situation whereby an employee would be permitted perform work on territories without the prevailing prior rights preference.

For these reasons it was agreed that, Appendix N-Car Top Material Handler and Appendix S-Brandt Truck had application difficulties, contrary to the proper application of these prior rights and consequently it was agreed to replace Appendix N and Appendix S with the following to accommodate a proper application of both appendices to comport with the existing prior rights agreements.

THEREFORE IT IS AGREED THAT:

1. The company may establish position(s) of Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions as described within this agreement. The successful applicant(s) will be required to move with their machine to locations as directed on any portion of the entire Illinois Central Railroad Northern and Southern Regions and will be responsible for maintenance of the machine and may be required to perform other work when not operating the machine. Employees assigned to such Machine Operator positions, will be working under the current CC&P-IC-BMWED working agreement, as subsequently amended, subject to the exceptions contained in this agreement.
2. The company will simultaneously advertise the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions on both the Northern and Southern Region seniority districts and will award the position(s) based on an employee's earliest continuous seniority date (Hire Date) regardless of seniority territory. These positions will be exempt from any former prior rights designations concerning awards and/or displacements.
3. The initial bulletin for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions created by this agreement shall be open to all Employees on all the Illinois Central Railroad Northern and Southern Region seniority districts. Those specific provisions of Rule 14 or other rules requiring employees to remain on a job/assignment for (45), 60) and (180) days ("hold down rules"), whichever is applicable, will be suspended, one time only, in the case of the initial bulletin for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck positions for employees who are successful applicants for these positions. Except as otherwise specifically provided within this paragraph, all other "hold down rules" within the current working agreement shall remain in full force and effect.
4. The work week of a Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck position established under this Agreement will be established under the Five Day Work Week provisions of Rule 19. The work week for the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator Brandt Truck operator will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator's personal vehicle available at the end of the week. Other than the first and last work day of the work week, starting and ending time of the Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck operator will be at an assembly point at or near the work site designated by management.
6. Employees working on Regional Group B Machine Operator-Car Top Material Handler and Regional Group B Machine Operator-Brandt Truck position shall be eligible for expenses as described in Rule 36(b) of the current IC-CC&P BMWED working agreement, as subsequently amended. In addition, employees working on these positions will also be paid a regional differential of \$1.35 per hour above the applicable Illinois Central Railroad rate of pay and will receive an additional \$8.00 per diem.
7. Except in major emergency circumstances, these positions will be limited to work which is generally associated with the work of the specific machine. There is no intent on the part of the carrier to utilize these positions to perform routine maintenance work not generally associated with work performed by a Car Top Material Handler and/or a Brandt Truck.
8. Except as expressly provided herein, this Agreement will not otherwise change existing agreements between the Company and the Union, nor shall this Agreement be construed to change existing seniority district boundaries.
9. Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the position(s) referenced herein.
10. Upon the effective date of this agreement, Appendices N and S dated October 25, 1989 and August 2002 respectively of the current working agreement covering the same subject matter and positions (Group B

Machine Operator-Car Top Material Handler and Group B Machine Operator-Brandt Truck) as contained therein are cancelled in their entirety.

11. If you agree this accurately reflects our discussion and mutual interpretation of the rules as referenced herein as it relates to this issue, please indicate your concurrence in the space provided below and return on signed copy for our files.

12. Signed at Homewood, Illinois this 1st day of October, 2014


Sincerely,

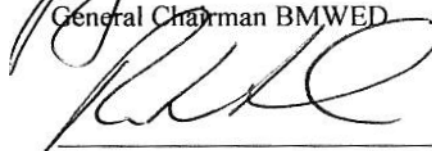
We Concur:



/

C.K. Cortez
Senior Manager-Labor Relations



Hayward Jude Granier
General Chairman BMWED


Rolando DelMuro
General Chairman BMWED

APPENDIX T – BRUSH CUTTER

August 8, 2002

Mr. Hayward J. Granier, General Chairman
Brotherhood of Maintenance of Way Employes
302 East Broadway, Suite B
P.O. Box 329
Mayfield, KY 42066

Dear Mr. Granier:

This will confirm the following understanding reached with Cathy Cortez during the week of June 10, 2002, regarding the establishment of a Brush Cutter Operator position to work throughout the entire Gulf Division.

1. The company will bulletin a position of Group c Machine Operator – Brush Cutter. The successful bidder will be required to move with the machine over the entire Gulf Division, will be responsible for maintenance of the machine, and may be required to perform other work when not operating the machine.
2. The company will bulletin the Brush Cutter Operator position to both seniority districts and will award the position based on the provisions of Rule 3(h), regardless of seniority territory.
3. The work week for the Brush Cutter operator will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator’s personal vehicle available at the end of the week. Other than the first and last work day, all days will begin and end at the job site.
4. The operator will be paid a differential of \$1.35 per hour above the Group C machine operator’s rate, will receive expenses in accordance with Rule 36(b), and will receive an additional \$8 per diem when working on that part of the Gulf Division on which the operator does not have seniority.

Yours truly,

(Original signed by J. S. Gibbins)
Director - Labor Relations

I AGREE

(Original signed by H. J. Granier)
General Chairman

APPENDIX U – PER DIEM – MOBILE GANGS

April 16, 1997

Mr. Hayward J. Granier, General Chairman
Brotherhood of Maintenance of Way Employes
302 East Broadway, Suite B
P.O. Box 329
Mayfield, KY 42066

Dear Mr. Granier:

This will confirm our discussion regarding the payment of the per diem allowance for employees assigned to mobile gangs who work less than a full day.

The organization iterated its position that employees would be entitled to the payment of a per diem, no matter how many hours an employee worked on any given day.

The company, however, stated that Rule 18, Hours of Service, defined the number of hours that constitute a “day” which is “eight consecutive hours, exclusive of the meal period.”

Without prejudice to our position, the company is willing to agree that in order to qualify for the payment of a per diem allowance, employees must work a minimum of half of the assigned hours for the day the position is bulletined to work, except for the last day of the work week, which requires employees to work the full day.

If the above reflects your understanding, please sign below and return one copy to us for our files.

Sincerely,

(Original signed by J.P. Ellis)
Manager – Human Resources

I CONCUR:

(Original signed by H. J. Granier)
General Chairman

APPROVED BY:

(Original signed by R.A. Lau)
Vice President

INDEX

	<u>Rule, Appendix</u>	<u>Page</u>
ABSENCE		
Doctor's Release Because of	38b	32
Entry Rates, Calculation of 60 Month Period	52(i)	37
Exercising Seniority on Return Time From L.O.A.	14g, 47	12, 35
Leave of Absence	37, 47	31, 35
Seniority Rights, preserved during absences		
due to disability	H	71
Unauthorized Absence & Forfeiture of Seniority	38a	32
APPLICATIONS		
Rejection within 90 days	3f	7
Rejection after 90 days	3f	7
AUTOMOBILE MILEAGE		
	36c	31
B&B AND PAINT SUBDEPARTMENT		
	2(B)	5
BACKHOES		
	P	96
BEREAVEMENT LEAVE		
	50	35
BIDDING		
90, 120 180 day requirement	14a, 14e, 14(Note)	12, 13
Assignment of successful bidders	3d, 3h, 8a, 8c, 14a	7, 8, 10, 12
	14f, 25e, 25f	12, 24
Assignment in the absence of successful bidder	14h	12
More than one position	15	13
Preference to helpers, grinders	3d	7
Preference to Asst. Foremen	13	11
While furloughed	14i	13
BRANDT TRUCK		
	S	103
BRIDGE GANGS		
	R-1	101
BRIDGE GANGS – MOBILE		
	R	99
BRUSH CUTTER		
	T	104
BULLETIN NOTICE REQUIREMENTS		
	14	12
BUMPING - (See Displacement Rights)		

CALLS		
on rest days or advance of work period	26	24
CAR TOP MATERIAL HANDLER	N	94
CLAIMS AND GREIVANCES	34	30
CLASSIFICATION OF MACHINES	2,M,N,O,P,S	5,93-96,103
COMMERCIAL DRIVER'S LICENSE	20	18
CONTRACTING OUT	C,C-1,C-2,C-3,C-4	47,48,50,51,53
COST OF LIFING ALLOWANCE	B	44
DELIVERY OF MATERIAL, MEN, EQUIPMENT	2	6
DEMOTION	7	9
DIFFERENTIALS	A-1	41
DISABLED EMPLOYEES	H	71
DISCIPLINE	33	27
Request for waiver of formal hearing	33	29
DISPLACEMENT RIGHTS		
During qualifying period	3b	7
Force Reductions	29	25
Failure to Exercise Right	29e, 29f	25
Return from Leave of Absence	14g	12
Return from Union Positions	37b	31
Return from official position	7c	9
Time requirements after being furloughed	29a, 29b, 29e, 29i	25, 26
Voluntary Furlough	29d	25
DOCTOR'S RELEASE	38b	32
DRINKING WATER	41	33
DUES		
Dues Deduction Agreement	F	65
Failure to Pay	7b, E(4)	9, 60
Retention of seniority by paying dues	7a, 7d	9
Authorization form (Attachment A)	F	70
EMERGENCY FORCE REDUCTION	30c, 30d	26
EMPLOYEE PROTECTION		
Contracting Out	C-2, C-3, C-4	50,51, 53
February 7, 1965 Agreement	L	85
Merger Protection Agreement	K	84
Voluntary furlough effect on protection	29h	25
ENTRY RATES	52	36
ESTABLISHING NEW POSITIONS		
October 7, 1959 Agreement	A-2	42
EXCEPTED POSITIONS (see Official Positions)		

EXPENSES	36	31
Automobile mileage - personal vehicles	36c	31
Fixed Headquarters Employees	36a	31
Mobile Gang Employees	36b	31
Noon Day Meal Allowances	36a	31
Per Diem – Mobile Gangs	U	105
Receipts	36d	31
FEBRUARY 7, 1965 AGREEMENT	L	85
FLEXIBLE SPENDING ACCOUNT	J-5	84
FORCE REDUCTIONS	29	25
FOREMAN’S DISCIPLINE RULE		
Suspensions Without Investigation	33a	27
FORFEITURE OF SENIORITY		
Dismissal for cause of employee in official position	7c	9
Failure to accept force assignment	14h(1)(2)	12-13
Failure to exercise seniority or notify company of voluntary furlough	29e	25
Failure to return from recall	10b	11
Furloughed three years	10c	11
Official positions, nonpayment of dues	7b	9
Unauthorized absence for 7 consecutive days	38a	32
40 HOUR WORKWEEK	19	14
401(k) PLAN	5	9
FURLOUGHS AND/OR FURLOUGHED EMPLOYEES		
5-day notice	30b	26
Bidding Rights	14i	13
Emergency Conditions	30c, 30d	27
Emergency Service	31b	21
Holiday Pay	23d	20
Recall from	10b, 29e	11, 25
Short layoffs	30(a)	26
Student training program	I(4)	72
Temporary	30c, 30d	26
Time requirements for displacement	29a, 29b, 29i	25, 26
Voluntary furlough	29d-29h	25-26
GROUP A MACHINES	M	93
HEADQUARTERS	17, 22c	14, 19
HEALTH AND SAFETY	41	33
HEALTH AND WELFARE	J	73
HOLIDAYS	23	20
Qualifying for pay	23d, 23f, 23i	21-22
Maximum payment	23h	22
HOURS OF SERVICE	18, 19, 21, 22	14-20
Meal period	35	31

INCREASING FORCES	10b, 29e, 31	11, 25, 26
JURY DUTY	39	32
LABOR MANAGEMENT COMMITTEE	49	35
LEAVE OF ABSENCE	37	31
Exercise of seniority upon returning from	14g, 37b	12, 31
Union committees	37b, 47	31, 35
MACHINE OPERATOR SUBDEPARTMENT	2(E)	6
MAKE-UP TIME	21	19
MEAL ALLOWANCES -		
Fixed Headquarters Employee	36a	31
MEAL PERIODS	35	31
MEDICAL DISQUALIFICATION	24	22
MOBILE GANGS		
Expenses	36b	31
Reporting Site	22d	19
Territory	6	9
Bridge Gangs	R	99
NEW POSITIONS	A-2	42
OCTOBER 7, 1959 AGREEMENT	A-2	42
OFF TRACK VEHICLE INSURANCE	J-3	77
OFFICIAL POSITIONS		
Displacement Rights upon return to bargaining unit	7c	9
Forfeiture of seniority for nonpayment of union dues	7b	9
Forfeiture of seniority in craft when dismissed for cause	7c	9
Retention and Accumulation of Seniority	7a, 7d	9
OVERTIME	25	23
Absorbing	28	25
Authority for	27	24
Exceptions	25e, 25f	24
Make up time	21	19
Rate of pay	25a	23
Service on rest days or advance of workdays	26	24
PAYROLL		
Direct Deposit	39	
PER DIEM – MOBILE GANGS	U	105
Expenses	36	31
PERSONAL LEAVE DAYS	51	36
PERSONAL VEHICLES	36d	31
PHYSICAL DISQUALIFICATION	24	22
PROMOTION	7, 8	9, 10
Definition	8a	10

Forman positions.....	8(b).....	10
Preference for Asst. Fore.....	13.....	11
Preference for helpers/students.....	3d, I.....	7, 72
Qualifying for.....	8(e).....	10
Track Inspectors.....	16.....	13
PROMOTION CONT'D		
To official positions.....	7(a).....	9
PROTECTION - EMPLOYEE		
February 7, 1965 Agreement.....	L.....	85
ICG Merger Protection Agreement.....	K.....	84
Subcontracting.....	C-2, C-3, C-4.....	50,51,53
Voluntary Furlough effect on protection.....	29h.....	26
QUALIFICATIONS AND/OR QUALIFYING		
Medical disqualifications.....	3b, 8d, 8e.....	7, 10
	24, H.....	22, 71
RANK OF POSITIONS		
	2.....	5
RATES OF PAY		
Bereavement Leave.....	46, A.....	35, 40
Composite Service.....	50.....	35
Differentials.....	44.....	33
Entry rates.....	A-1.....	41
Holidays.....	52.....	36
Jury Duty.....	23.....	20
Make up Time.....	39.....	32
New Positions.....	21.....	19
Overtime.....	A-2.....	42
Personal Leave.....	25.....	23
Vacations.....	51c.....	36
Witnesses.....	45, D.....	34, 54
	40.....	33
RECALL FROM FURLOUGH		
	10, 29e.....	10, 25
REJECTION OF EMPLOYMENT APPLICATION		
	3f, 3g.....	7,8
RELIEF OF FOREMAN		
	13.....	11
REST DAYS		
	19, 23.....	14, 20
RETENTION OF SENIORITY		
	7a, 16c.....	9, 13
REVISION OF AGREEMENT		
	53.....	38
ROAD CARPENTER WORK		
	43.....	33
SCHEDULE AGREEMENT – COMPANY FURNISH		
	48.....	35
SCOPE RULE		
	1.....	5
SENIORITY		
Absent 7 days consecutively.....	38a.....	32
SENIORITY CONT'D		
Accumulation of seniority when promoted.....	3a, 3b, 3e, 7a, 16.....	6, 7, 9, 13
Accumulation of seniority when disabled.....	H.....	71
Automatic establishment in lower classifications.....	3c.....	7
Basis for bid to other classification.....	3d, 3h, 8a, 13.....	7,8,10,11
Between May 4, 1981 and October 28, 1996.....	3b.....	7
Employees promoted to Official Positions.....	7.....	9

Establishment of	3a	6
Established and retained in other classes	3a, 3b, 3c, 3e	6-7
Exercise upon returning from L.O.A.	14g, 37b	12, 31
Loss of -		
Forfeited if foreman - trainee fails to apply for foreman position	8a	10
Forfeited if fails to accept force assignment	14h	12
Forfeited if fails to return from recall	10b, 29e	11, 25
Forfeited if furloughed three years	10c	11
Forfeited if furloughed 365 days with less than 3 years of service	10d	11
Forfeited if absent without authority 7 days	38a	32
Machine Operators	3e	7
Original Date	3a	6
Qualifying in higher classification	8d, 8e	10
Rank of identical date	3a, 8c	6, 10
Rosters	9	10
Seniority Districts	4	8
System Bridge Gang	4e, 4f	8
Use of for bidding	3h	8
SENIORITY ROSTERS	10	10
SENIORITY TERRITORY	4	8
Mobile Gang	6	9
SERVICE ON COMMITTEE	30	26
SHORT LAYOFFS		
Advance notice waived	30c, 30d	26
Emergency conditions	30d	26
STARTING TIME	22	19
STUDENT EMPLOYEE TRAINING PROGRAM	I	72
SUBDEPARTMENTS	2	5
TEMPORARY SERVICE	12	11
Emergency Service	31b	27
Vacancies less than 30 days	14d	12
TERRITORY (See Seniority Territory)		
THREE DOCTOR PANEL	24	22
TIME LIMITS		
Claims and Grievances	34	30
Discipline	33	27
Displacement Rights	29	25
Temporary Vacancies	14d	12
To Return from Furlough	10b, 29e	11, 25
TOOLS	42	33
TRACK INSPECTORS	16	13
TRACK MOTOR CAR OPERATION	2	6
TRACK SUBDEPARTMENT	2(A)	5

TRAINING PROGRAM		
Use of Seniority Following.....	8a, I.....	10, 72
TRANSFERS.....	11.....	11
TRUCK OPERATION.....	2(E)(2).....	6
UNAUTHORIZED ABSENCE -		
Forfeiture of Seniority.....	38a.....	32
UNION SHOP AGREEMENT.....	E.....	59
UNJUST TREATMENT.....	32.....	27
VACANCIES		
Foreman vacancies.....	13.....	11
Of less than thirty (30) Days.....	14d.....	12
New positions.....	A-2.....	42
Road carpenter vacancies less than 3 days.....	43.....	33
VACATIONS.....	45, D.....	34, 54
VOLUNTARY FURLOUGH.....	29d, 29e, 29f, 29h.....	25,26
VOLUNTARY POLITICAL CONTRIBUTIONS.....	G.....	68
WELDED RAIL PICK UP MACHINE.....	O.....	95
WELDING SUBDEPARTMENT.....	2(C).....	6
WITNESSES.....	40.....	33
WORK EQUIPMENT HANDLER.....	Q.....	98
WORK EQUIPMENT SUBDEPARTMENT.....	2(D).....	6
WORKWEEK.....	18, 19, 21, 22.....	14-18, 19-20



www.cn.ca

February 9, 2006

Mr. Hayward J. Granier – General Chairman
International Brotherhood of Teamsters
Brotherhood of Maintenance of Way Employes Division
302 E. Broadway, Suite B
Mayfield, KY 42066

Re: Establishment of Crawler Crane position

Dear Mr. Granier:

This will confirm our conversation that the Carrier has acquired a 110 ton hydraulic crawler crane, and subsequently shall establish operator positions in the B & B and Paint Subdepartment in the Southern Region seniority district.

The positions will be bulletined as Crawler Crane Operators. Since there is no current classification, employees currently qualified as Locomotive Crane Operators shall be given first consideration. Applicants will then be selected on the basis of B & B Subdepartment seniority, and then overall seniority.

During our discussion, we agreed that successful applicants will be required to pass a specific two week course of instruction on this machine.

We initially anticipate two of these positions, one of which will replace an existing Locomotive Crane Operator Position.

These positions will be bulletined as Pay Group B positions, subject to the Derrick Engineer differential.

Regards,
(Original signature not reproduced)
D. J. Mandalas

C: D. A. Lowe
S. Scola

AGREEMENT
between
ILLINOIS CENTRAL RAILROAD
and
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

IT IS AGREED:

1. ~~The company may utilize the southern region Mobile Bridge Gang ICFC A01 to perform service at Cairo Bridge.~~
2. ~~Employees assigned to this gang will be paid an additional \$8.00 per day under the provisions of Rule 36(b) for each day they work off their regularly assigned seniority territory. An equal number of northern region employees shall also receive \$8.00 per day for each day that the southern region Mobile Bridge Gang performs service at Cairo Bridge. This payment will be made to the senior most northern region B & S employees not assigned to the southern region Mobile Bridge Gang.~~
3. ~~If the company elects to work employees assigned to the southern region Mobile Bridge Gang ICFC A01 a work schedule of eight consecutive work days, ten hours per day, followed by six consecutive rest days (as contemplated in Appendix R-1 of the current agreement), an equal number of northern region employees shall be paid \$4.00 per day for each day of work. This will be the same eligible employees identified for the payment as described in paragraph 2 of this agreement.~~
4. ~~This agreement is made without prejudice to any position either party may have regarding the assignment of work outside of established seniority territories and it will not be cited by either party in any case that is not related specifically to this agreement.~~
5. This agreement is in effect immediately and shall **expire on October 1, 2008.**

Signed the 1st day of April, 2008 in Homewood, IL:

FOR : _____	FOR : _____
ILLINOIS CENTRAL RAILROAD	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION
(Original signature not reproduced)	(Original signature not reproduced)
D. J. Mandalas	H. J. Granier
Manager Labor Relations	General Chairman

AGREEMENT

BETWEEN

ILLINOIS CENTRAL RAILROAD

AND

BROTHERHOOD OF MAINTENANCE OF WAY

EMPLOYEES DIVISION

IT IS AGREED:

1. The company may establish a position(s) of Group B Machine Operator – Vacuum Truck. The successful applicant will be required to move with the VAC TRUCK to locations as directed on any portion of the entire Illinois Central Railroad Northern, Southern and Western Regions and will be responsible for maintenance of the machine, and may be required to perform other work when not operating the machine. Employees assigned to such VAC TRUCK positions, will be working under the current CC&P-IC-BMWED working agreement, as subsequently amended, subject to the exceptions contained in this agreement.
2. The company will simultaneously advertise the VAC TRUCK position to Northern, Southern and Western Region seniority districts and will award the position based on the provisions of Rule 3(h), regardless of seniority territory.
3. The initial bulletin for the VAC TRUCK position created by this agreement shall be open to all Employees on all the Illinois Central Railroad Northern, Southern and Western Region seniority districts. Those specific provisions of Rule 14 or other rules requiring employees to remain on a job/assignment for (90), (120) (180) days (“hold down rules”), whichever is applicable, will be suspended, one time only, in the case of the initial bulletin for the VAC TRUCK position for employees who are successful applicants for a positions on the VAC TRUCK. Except as otherwise specifically provided in this paragraph (c) all “hold down rules” shall remain in full force and effect.
4. At the beginning of the work cycle VAC TRUCK operators will be required to travel from their homes to the initial reporting location, and at the end of the work cycle they will return home. Accordingly, the carrier will allow each employee whose residence is more than one hundred (100) miles from the reporting location of the VAC TRUCK and who is required or authorized by the Company to use the employee’s personal vehicle a minimum travel allowance at the maximum allowable IRS rate then in effect, for all miles actually traveled by the most direct highway route for each round trip from their residence to their reporting location.
5. The work week of a VAC TRUCK position established under this Agreement will be established under the Five Day Work Week provision of Rule 19 paragraphs (a) and (b). The work week for the VAC TRUCK operator will generally begin and end at the same location. In instances where this varies, the company will make arrangements to have the operator’s personal vehicle available at the end of the week. Other than the first and last work day of the work week, starting and ending time of the VAC TRUCK operator will be at an assembly point at or near the work site designated by management.
6. Employees working on a VAC TRUCK position shall be eligible for expenses as described in Rule 36(b) of the current IC-CC&P BMWED working agreement, as subsequently amended. In addition, employees working on a VAC TRUCK position will also be paid a system differential of \$1.35 per hour above the applicable Illinois Central Railroad rate of pay and will receive an additional \$8.00 per diem. On those days when the employee is working on other than the employee’s home seniority district the additional per diem shall be \$15.00 instead of the \$8.00 per diem additive.

7. Except as otherwise provided herein, this Agreement makes no change to existing agreements between the Carrier and the Union, nor shall this Agreement be construed to change existing seniority district boundaries except as expressly provided herein.
8. This agreement may be cancelled by either party signatory hereto upon issuing thirty (30) days advance notice to the other of its intent to cancel the agreement.
9. Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the VAC TRUCK(s) referenced herein.
10. Signed this 17th day of October, 2008 at Homewood, Illinois.

**FOR THE
ILLINOIS CENTRAL RAILROAD**

(Original Signatures Not Reproduced)
D.L. McPherson
Manager – Labor Relations

**FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYES DIVISION**

(Original Signatures Not Reproduced)
Hayward Jude Granier
General Chairman

AGREEMENT
BETWEEN
ILLINOIS CENTRAL RAILROAD COMPANY
AND
BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES DIVISION

IT IS AGREED:

1. The company may establish one or more Maintenance of Way Regional Gang(s) composed of employees from IC (and former CCP), to perform work over the IC Northern and Western Region territories. Employees assigned to such gangs, will be working under the current CC&P-IC-BMWED working agreement, as subsequently amended, subject to the exceptions contained in this agreement.
2. For the purposes of this agreement, production work that may be performed by a Regional Gang is confined to the following work activities: tie installation and surfacing, surfacing, and rail installation. A Regional Gang is "a gang that is heavily mechanized and mobile, continuously performing specific, programmed, major repair and replacement work utilizing a substantial (no fewer than twenty) number of employees." This definition however, does not limit the Carrier's right to utilize non-Regional Gang employees to perform these work activities nor does it limit the Carrier's right to propose and reach mutual agreement that other production work be performed by Regional Gangs in the future.
3. Except in major emergency circumstances, the Regional Gang will be limited to work which is generally associated with the work of the specific Regional Gang. There is no intent on the part of the carrier to utilize a Regional Gang to perform routine maintenance work not generally associated with work performed by a Regional Gang.

NOTE: Specific support functions which include a fuel truck(s), material handler(s) and work equipment mechanics may be assigned with starting times which are the same as, or different than the starting times observed by the Production Gang; provided that the starting time of the above referenced functions shall be between 4:00 a.m. and 11:00a.m. and shall not be changed without at least thirty-six (36) hours notice, except that not less than forty-eight (48) hours notice shall be given for a change which is greater than four hours. Starting times shall remain in effect for at least five consecutive days.

4. The positions on such a gang will be permanent, lasting a minimum of thirty (30) days after implementation and it is anticipated to begin on or after July 1, 2009 with not less than twenty (20) employees per gang, excluding the specific support function(s) as noted above. Seniority for purposes of assignment of positions and other exercises of seniority within the gang shall be determined on the basis of each employee's relative standing on the "Maintenance of Way Regional Gang Bid and Displacement Roster" (hereafter "the Roster"). The Roster shall be created as follows:
 - a. The seniority rosters of the involved seniority districts (IC Northern and Western Region territories) will be dovetailed based on the earliest date in the sub-department and classification for the purpose of establishing the "Roster" to be used solely to administer bids and displacements to the Gang established under this Agreement.
 - b. Positions on the Gang established under this Agreement will be advertised simultaneously to both IC Northern and Western Region seniority districts. Employees on the "Roster" shall be awarded positions based on the provisions of Rule 3(h), regardless of seniority territory.
 - c. The initial bulletin for the regional gang created by this agreement shall be open to all Employees on all the IC Northern and Western Region seniority districts. Those specific provisions of Rule 14 or other rules requiring employees to remain on a job/assignment for (90), (120) (180) days ("hold down rules"), whichever is applicable, will be suspended, one time only, in the case of the initial bulletin for the regional gang for employees who are successful applicants for positions on the

regional gang. Except as specifically provided in this paragraph (c) all “hold down rules” shall remain in full force and effect and shall apply to successful applicants once they are assigned to the regional gang.

- d. Employees on the “Roster” that apply for positions on a Gang established under this Agreement in a class in which they have no seniority, will, if qualifications are sufficient, be awarded the position and will concurrently acquire seniority in that class on their home seniority district roster. An employee who establishes seniority in a classification on their home seniority district will have their name and seniority in that classification placed on the regional gang “Roster” concurrent with the establishment of the new seniority.
 - e. Except as otherwise provided, employees may exercise seniority to a position for which they are qualified in a gang established under this Agreement based upon their relative ranking on the “Roster”.
 - f. The “Roster” will be published and distributed to all employees subject to this Agreement on its effective date and every January 1 thereafter.
5. In the event a position on a Regional Gang is filled by a new hire and that new hire’s application for employment is not rejected in writing within ninety (90) calendar days after first performing service, then such new hire will be placed on the Regional Gang List in the classification in which hired, as of the first day worked, as well as establishing seniority in that classification on the Illinois Central seniority region (Northern or Western, whichever is applicable) of the new hire’s choice provided he does so in writing to the Senior Manager Engineering Programs, in writing, no later than ninety (90) calendar days after establishing Regional Gang seniority. If such election is not timely made seniority will be established on the roster in the classification nearest the new hire’s place of residence as indicated by payroll records.
 6. Employees assigned to such a gang will establish seniority on a Regional Gang list, which will be used for intra gang purposes only. Employees with the same seniority date on the Regional Gang roster will be ranked according to their earliest appropriate seniority date of their home seniority territory. Such seniority will not be applicable to other CN seniority territories.
 7. The work week of a Gang established under this Agreement or a specific support function as noted above will be established under some variant of an Accumulated Rest Day work arrangement to be agreed upon by the parties, if other than, eight (8) work days of nine (9) hours and one (1) work day of eight (8) hours with five (5) days off; ten (10) days work with four (4) days off; or the Five Day Work Week provision of Rule 19 paragraphs (a), (b), or (k). Changes in the advertised work week or accumulated rest day work arrangement, to accommodate the different work windows may be accomplished by written notice to the employees assigned, with copy to the General Chairman, issued not less than five (5) days prior to the completion of a work cycle provided such changes occur after the scheduled rest days and the gang members affected are afforded an opportunity to exercise their displacement rights. Changes in work cycle as contemplated under this paragraph will not require abolishment or re-bulletining of such positions on the gang.
 8. No elimination of vacation credits will occur by virtue of being assigned under the Work/Rest Day arrangement provided by this agreement or some other Accumulated Rest Day work arrangement. Employees who work the entire schedule during the periods identified in paragraph 7, preceding and following any holidays, will receive pay for such holiday(s).
 9. Employees assigned to the Regional Gang including the specific support function(s) as noted above shall be eligible for expenses as described in Rule 36(b) of the current CC&P-IC BMWED working agreement, as subsequently amended. In addition, employees working on a Regional Gang position, including the specific support function(s) as noted above, will also be paid a system differential of \$1.35 per hour above the applicable IC rate of pay.
 10. When employees assigned to the Regional Gang including the specific support function(s) as noted above are required to report to a work location on *other* than the employee’s home seniority district, such employees will receive an additional \$15.00 per diem.
 11. At the beginning of the work cycle employees are required to travel from their home to the initial reporting location, and at the end of the work cycle they will return home. Accordingly, employees reporting to a work site which is on *other* than the employee’s home seniority territory and who meet all of the criterion listed below will be reimbursed for mileage driven in the employee’s personal vehicle at the applicable IRS rate then in effect, for all miles traveled between the employee’s residence and the reporting site, measured by the most direct highway route for each round trip from their residence to their reporting location. Employee(s) assigned

to a Regional Gang position, including specific support positions as noted above, shall be eligible for the mileage reimbursement *only* when:

- i. reporting to a work location on *other* than the employee's home seniority territory; and
 - ii. the reporting location is more than 100 miles from the employee's residence (measured by most direct highway route);and
 - iii. the employee actually uses their personal vehicle.
12. When the reporting location of a gang is changed during the work cycle, after regular working hours, by more than one hundred (100) miles, mileage from the former reporting location to the new reporting location (one way) at the rate specified in the preceding paragraph (11) will be paid to employees meeting the requirements in paragraph 11 above; provided the new reporting location is on *other* than the employee's home seniority territory.
 13. Except as otherwise specifically provided herein, this Agreement is not intended to reduce or enhance the Company's commitment with respect to the minimum number of regular IC-BMWE forces and/or positions required as set forth in the IC-BMWE Collective Bargaining Agreement, nor is it intended to reduce or enhance an Employee's obligation to protect jobs or positions under rules governing seniority.
 14. Except as expressly provided herein, this Agreement will not otherwise change existing agreements between the Company and the Union, nor shall this Agreement be construed to change existing seniority district boundaries.
 15. After the expiration of the minimum implementation period specified in paragraph 4 above this agreement may be cancelled by either party signatory hereto upon issuing advance notice of not less than thirty (30) days to the other of its intent to cancel the agreement.
 16. Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the Regional Gang(s) referenced herein.
 17. Upon the effective date of this agreement, the agreement dated December 17, 2008 covering the same subject matter (CCP-IC Northern Regional Gang) as contained herein is cancelled in its entirety.
 18. Signed this 22th day of June, 2009 at Homewood, Illinois.

**FOR THE
ILLINOIS CENTRAL RAILROAD**



D.L. McPherson
Manager – Labor Relations

**FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYEES DIVISION**



Hayward Jude Granier
General Chairman

**AGREEMENT
BETWEEN**

ILLINOIS CENTRAL RAILROAD

AND

**BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES DIVISION**

IT IS AGREED:

5. ~~The company may establish a Maintenance of Way Regional Gang(s) composed of employees from IC & CCP, to perform work over the Illinois Central Railroad Northern Region and Western Region territories. Employees assigned to such gangs, will be working under the current CC&P IC BMWED working agreement, as subsequently amended, subject to the exceptions contained in this agreement.~~
6. For the purposes of this agreement, production work that may be performed by a Regional Gang is confined to the following work activities: tie installation and surfacing, surfacing, and rail installation. A Regional Gang is "a gang that is heavily mechanized and mobile, continuously performing specific, programmed, major repair and replacement work utilizing a substantial (no fewer than twenty) number of employees." This definition however, does not limit the Carrier's right to utilize non Regional Gang employees to perform these work activities nor does it limit the Carrier's right to propose and reach mutual agreement that other production work be performed by Regional Gangs in the future.
7. ~~Except in major emergency circumstances, the Regional Gang will be limited to work which is generally associated with the work of the specific Regional Gang. There is no intent on the part of the carrier to utilize a Regional Gang to perform routine maintenance work not generally associated with work performed by a Regional Gang.~~
8. The positions on such a gang will be permanent and it is anticipated to begin during or after February of 2009 with not less than twenty (20) employees. Seniority for purposes of assignment of positions and other exercises of seniority within the gang shall be determined on the basis of each employee's relative standing on the "Maintenance of Way Regional Gang Bid and Displacement Roster" (hereafter "the Roster"). The Roster shall be created as follows:
 - a. ~~The seniority rosters of the involved seniority districts (Illinois Central Railroad Northern Region and Western Region territories) will be dovetailed based on the earliest date in the sub department and classification for the purpose of establishing the "Roster" to be used solely to administer bids and displacements to the Gang established under this Agreement.~~
 - b. ~~Positions on the Gang established under this Agreement will be advertised simultaneously to both Illinois Central Railroad Northern Region and Western Region seniority districts. Employees on the "Roster" shall be awarded positions based on the provisions of Rule 3(h), regardless of seniority territory.~~
 - c. ~~The initial bulletin for the regional gang created by this agreement shall be open to all Employees on all the Illinois Central Railroad Northern Region and Western Region seniority districts. Those specific provisions of Rule 14 or other rules requiring employees to remain on a job/assignment for (90), (120) (180) days ("hold down rules"), whichever is applicable, will be suspended, one time only, in the case of the initial bulletin for the regional gang for employees who are successful applicants for positions on the regional gang. Except as specifically provided in this paragraph (c) all "hold down rules" shall remain in full force and effect and shall apply to successful applicants once they are assigned to the regional gang.~~
 - d. ~~Employees on the "Roster" that apply for positions on a Gang established under this Agreement in a class in which they have no seniority, will, if qualifications are sufficient, be awarded the position and will concurrently acquire seniority in that class on their home seniority district roster. An employee who establishes seniority in a classification on their home seniority district will have their name and seniority in that classification placed on the regional gang "Roster" concurrent with the establishment of the new seniority.~~

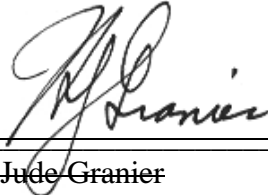
- e. ~~Except as otherwise provided, employees may exercise seniority to a position for which they are qualified in a gang established under this Agreement based upon their relative ranking on the "Roster".~~
 - f. ~~The "Roster" will be published and distributed to all employees subject to this Agreement on its effective date and every January 1 thereafter.~~
9. ~~In the event a position on a Regional Gang is filled by a new hire and that new hire's application for employment is not rejected in writing within ninety (90) calendar days after first performing service, then such new hire will be placed on the Regional Gang List in the classification in which hired, as of the first day worked, as well as establishing seniority in that classification on the Illinois Central Railroad seniority district of the new hire's choice provided he does so in writing to the Senior Manager Engineering Programs, in writing, no later than ninety (90) calendar days after establishing Regional Gang seniority. If such election is not timely made seniority will be established on the roster in the classification nearest the new hire's place of residence as indicated by payroll records.~~
 10. ~~Employees assigned to such a gang will establish seniority on a Regional Gang list, which will be used for intra gang purposes only. Employees with the same seniority date on the Regional Gang roster will be ranked according to their earliest appropriate seniority date of their home seniority territory. Such seniority will not be applicable to other CN Railroad seniority territories.~~
 11. ~~The work week of a Gang established under this Agreement will be established under the Five Day Work Week provision of Rule 19 paragraphs (a), (b), (k) or some other variant of an Accumulated Rest Day work arrangement to be agreed upon by the parties. e.g., eight (8) work days of nine (9) hours and one (1) work day of eight (8) hours with five (5) days off; ten (10) days work with four (4) days off; etc. Changes in the advertised work week or accumulated rest day work arrangement, to accommodate the different work windows may be accomplished by written notice to the employees assigned, with copy to the General Chairman, issued not less than five (5) days prior to the completion of a work cycle provided such changes occur after the scheduled rest days and the gang members affected are afforded an opportunity to exercise their displacement rights.~~
 12. ~~No elimination of vacation credits will occur by virtue of being assigned under the Work/Rest Day arrangement provided by this agreement or some other Accumulated Rest Day work arrangement. Employees who work the entire schedule during the periods identified in paragraph 7, preceding and following any holidays, will receive pay for such holiday(s).~~
 13. ~~Employees working on a Regional Gang position shall be eligible for expenses as described in Rule 36(b) of the current CC&P IC-BMWED working agreement, as subsequently amended. In addition, employees working on a Regional Gang position will also be paid a system differential of \$1.35 per hour above the applicable Illinois Central Railroad rate of pay and will receive an additional \$15.00 per diem on those days when the employee is working on other than the employee's home seniority district.~~
 14. ~~At the beginning of the work cycle employees are required to travel from their homes to the initial reporting location, and at the end of the work cycle they will return home. Accordingly, the carrier will allow each employee whose residence is more than one hundred (100) miles from the reporting location of the Regional Gang a minimum travel allowance at the maximum allowable IRS rate then in effect, for all miles measured by the most direct highway route for each round trip from their residence to their reporting location.~~
 15. ~~When the reporting location of a gang is changed during the work cycle, after regular working hours, by more than one hundred (100) miles, mileage from the former reporting location to the new reporting location (one way) at the rate specified in the preceding paragraph (10) will be paid.~~
 16. ~~Except as otherwise specifically provided herein, this Agreement is not intended to reduce or enhance the Carrier's commitment with respect to the minimum number of regular IC-BMWE forces and/or positions required as set forth in the IC-BMWE Collective Bargaining Agreement, nor is it intended to reduce or enhance an Employee's obligation to protect jobs or positions under rules governing seniority.~~
 17. ~~Except as otherwise provided herein, this Agreement makes no change to existing agreements between the Carrier and the Union, nor shall this Agreement be construed to change existing seniority district boundaries except as expressly provided herein.~~
 18. ~~This agreement may be cancelled by either party signatory hereto upon issuing thirty (30) days advance notice to the other of its intent to cancel the agreement.~~
 19. ~~Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the Regional Gang(s) referenced herein.~~
 20. ~~Signed this 17th day of December 2008 at Homewood, Illinois.~~

~~FOR THE~~

~~ILLINOIS CENTRAL RAILROAD~~

~~FOR THE BROTHERHOOD OF~~

~~MAINTENANCE OF WAY EMPLOYEES DIVISION~~



D.L. McPherson
Manager Labor Relations

Hayward Jude Granier
General Chairman

SYNOPSIS

~~IC WESTERN/NORTHERN REGIONAL GANG AGREEMENT DATED December 17, 2008~~

The agreement provides that the Company may establish a gang to perform the worked described in Paragraph 2 on either the Western or Northern Region of the IC/CCP.

Positions on the Gang will be bulletined simultaneously to Maintenance of Way employees on both the Western and Northern Regions.

Employees on the two regions will be dovetailed based on their earliest seniority date in the sub department and classification on the "Maintenance of Way Regional Gang Bid and Displacement Roster". All assignments on the Regional Gang will be awarded based on standing on the Regional Gang Roster.

The INITIAL bulletin under this agreement must include information advising prospective bidders that the "hold down" rules under Rule 14 (e.g. 90, 120 180 days) are suspended for SUCCESSFUL BIDDERS for the initial Bulletin ONLY. Successful bidders will be permitted to exercise to the Regional Gang immediately without regard to any hold down rules, which applied on the position held at the time the bulletin was issued. Such hold-down rules WILL apply to successful bidders once assigned to the Regional Gang.

Under paragraph 7, the Work/Rest schedule of the Gang may be changed to one of the specified arrangements by agreement and with the understanding that the new arrangement will commence only after the rest days of the former arrangement have concluded. Notice of change must be at least 5 days before the change is to be effective.

Employees assigned to the Regional Gang under this agreement will be paid a system differential of \$1.35/hour in addition to the regular rates of pay in the agreement.

Employees assigned to the Regional Gang under this agreement who are working on OTHER than their home seniority territory will be paid a per diem additive of \$15.00/day in addition to the regular per diem applicable under Rule 36.

Employees traveling more than 100 miles from residence to reporting location at the beginning and end of the work week will be paid actual miles at the applicable mileage rate based on most direct route.

When the reporting location is changed by more than 100 miles during the work week and after regular hours, employees will be paid mileage at rates set forth in paragraph 9 for the ONE WAY trip to the new reporting location.

Agreement has a 30 day cancellation clause.



Dale McPherson
Manager Labor Relations
Office: 708 332 3571
Cell: 708 990 9640



www.cn.ca

United States Region

Dale L. McPherson
Manager, Labor Relations

17641 S. Ashland Avenue
Homewood, Illinois 60430-1345
708-332-3571 (Telephone number)
708-332-6737 (Facsimile number)

Mr. Hayward J. Granier, General Chairman
International Brotherhood of Teamsters
Brotherhood of Maintenance of Way Employees Division
1011 Paris Road, Suite333
Mayfield, KY 42066

December 10, 2008

RE: Carrier File: IC-BMWED-2008-00011
Organization File: S C052008.0 CN-IC (Displacing Junior Employee)

Dear Mr. Granier:

This refers to your letter under file as captioned above to Mr. Roger K. MacDougall, Senior Director-Labor Relations, dated August 6, 2008 wherein claim on behalf of Mr. S. L. Lipe (PIN # 113595), alleging the Carrier violated Rule 29 (a)-FORCE REDUCTION, when claimant was not allowed to displace a junior employee. This is also in further regard to my letter dated September 29, 2008 to Mr. Charles L. Scholes, declining the claim as identified above.

During our conference of this claim on December 08, 2008 it was our mutual understanding that Rule 29 (a) was not intended to negate the provisions and clear intent of Appendix I-Student Employee Training Program, nor was it intended to create or permit a situation whereby an employee without the necessary crane operator school and training would be permitted to displace to a crane operator position. It was also noted that Appendix I clearly gave preference, when awarding crane operator positions, to employees who had received the requisite training. For these reasons it was agreed that, from this date forward employees who had not received crane operator training, which has been bulletined in accordance with Appendix I of the Agreement would not be permitted to displace to or be awarded positions as crane operators until such employees had successfully completed the requisite training. Further in this regard, this would not enhance or diminish the Company's obligation to establish training programs pursuant to Appendix I of the Agreement.

If you agree this accurately reflects our discussion and mutual interpretation of the rules as referenced herein as it relates to this issue, please indicate your concurrence in the space provided below and return on signed copy for our files.

Sincerely,

D.L. McPherson
Manager, Labor Relations

I Concur:

Hayward J. Granier
General Chairman, BMWED



United States Region

Dale L. McPherson
Manager, Labor Relations

17641 S. Ashland Avenue
Homewood, Illinois 60430-1345
708-332-3571 (Telephone number)
708-332-6737 (Facsimile number)

September 2, 2009

Mr. Hayward J. Granier, General Chairman
Illinois Central Gulf Federation
Brotherhood of Maintenance of Way Employees
1011 Paris Road, Suite 333
Mayfield, KY 42066

RE: IC/BMWED- Agreement, Appendix I (force assignment to no bid positions)

Dear Mr. Granier:

This will confirm our discussions of August 24-25, 2009 relative to the issue of force assignment pursuant to paragraph F of Appendix I of the Agreement to positions specifically referenced in paragraph A of Appendix I for which no bids from qualified applicants are received (no bid vacancies).

Paragraph F provides that employees who had bid and completed the training for one or more of the positions mentioned in paragraph A of Appendix I were, for a period of three (3) years from the date they had completed training (obligation period), expected to bid those positions and were subject to force assignment to those named positions, when no bids for bulletined assignments were received from qualified employees.

Following our discussions, the parties agreed to the following applications:

First, it was understood that employees who have bid and completed training for a position mentioned in A would be placed on a "Training Roster" applicable to that particular function, i.e. crane operator training roster or welder training roster, whichever is applicable, in seniority order as set forth in Rule 3 (h).

The Carrier advised that when a position that requires specific training as outlined in paragraph A of Appendix I is bulletined and no bids from qualified applicants are received, assignment to the position shall be made in the following order:

1. By assignment of the junior employee on the training roster, who has completed training within the obligation period, and who is currently working in a lower classification subject to the provisions in Paragraphs 5 and 6 below.

Mr. H.J. Granier,
September 2, 2009

page 2

2. By assignment of employees not on the applicable training roster, but who are subject to force assignment per Rule 14 (h).
3. By assignment of the junior employee on the applicable training roster, working in the same number classification in different sub-department as the vacancy subject to the provisions in Paragraphs 5 and 6 below.
4. By assignment of the junior employee on the applicable training roster, working in a higher number classification as the vacancy subject to the provisions in Paragraphs 5 and 6 below. Should it become necessary to assign an employee in accordance with this paragraph, such employee will be released from the force assignment and permitted to return to his former assignment effective at the end of his shift on the day an employee on the training roster and within the three year obligation period is assigned or available per paragraphs 1 and 3 above.

NOTE: It is understood with respect to paragraphs 3 and 4 immediately above, which contemplates the possibility that an employee could be force assigned from an equal or higher classification, that it is without prejudice to the position of either party as to whether such is permissible under the terms of the CBA, and should such occur, it will not be construed as establishing a precedent. Additionally, in the event such occurs the Organization is not precluded from filing claims which will be handled in the normal manner up to and including the dispute resolution provisions as set forth in Article 34-CLAIMS AND GRIEVANCES of the Agreement.

5. In any step above, if the employee to be assigned is currently working a position for which training was completed within the previous three year period, pursuant to Paragraph A of Appendix I, he would be considered as already fulfilling his three year obligation under Paragraph F, and, therefore, would not subject to force assignment to the vacant position. In this event, the next senior employee would be assigned, same exception prevailing, if applicable, and so on.
6. It is understood for Headquartered positions, the mileage limitations outlined in Rule 14 (h) (2) are applicable.

It is also understood that an employees forced assigned under this provision will be made whole for any lost wages from his original assignment.

Mr. H.J. Granier,
September 2, 2009

page 3

7. The Carrier agrees to increase training to no less than three (3) classes per year for each training program outlined in Appendix I.
8. Employees force assigned will establish a seniority date as of the date which pay starts on the force assignment.

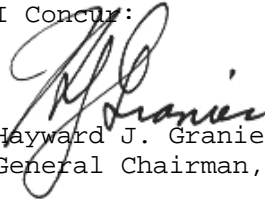
If you concur this accurately reflects our understanding relative to this matter, please indicate your concurrence in the space provided below and return a signed copy for our files.

Sincerely,



D.L. McPherson
Manager, Labor Relations

I Concur:



Hayward J. Granier
General Chairman, BMWED



www.cn.ca

United States Region

Dale L. McPherson
Manager, Labor Relations

17641 S. Ashland Avenue
Homewood, Illinois 60430-1345
708-332-3571 (Telephone number)
708-332-6737 (Facsimile number)

January 19, 2009

Mr. Hayward J. Granier, General Chairman
Illinois Central Gulf Federation
Brotherhood of Maintenance of Way Employees
1011 Paris Road, Suite 333
Mayfield, KY 42066

RE: Rule 3 (b)- Seniority retained/higher classification

Dear Mr. Granier:

This is in regard to a circumstance involving an employee who bid and was assigned to a higher classification within a sub-department as contemplated in Rule 3 (b) of the IC-BMWE Agreement, and the appropriate manner for making the determination regarding seniority retention when such an employee was assigned for a four (4) day work week(s) for part or all of the period.

During our discussion of this matter we agreed that a four day work week (assigned by bulletin) would be counted as five days worked for purposes of determining if the thirty (30) working day requirement was met under Rule 3 (b).

This understanding will not be construed to apply in any circumstance other than calculating days to determine if the "30 working days" requirement is fulfilled in the aforementioned Rule and will not be referred to by either party or establish precedent in any circumstance not specifically related to this issue.

If you agree this accurately reflects our mutual understanding, please sign in the space provided below and return one signed copy for our files.

Sincerely,

D.L. McPherson
Manager, Labor Relations

I Agree:

Hayward J. Granier
General Chairman, BMWED

Agreement between

ILLINOIS CENTRAL RAILROAD COMPANY

WISCONSIN CENTRAL TRANSPORTATION CORPORATION

EJ&E WEST COMPANY

and their employees represented by

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION

WHEREAS, the Surface Transportation Board, in a Decision dated May 25, 1999 (STB Finance Docket No. 33556), approved the acquisition by Canadian National Railway Company (“CNR”), Grand Trunk Corporation (“GTC”), and Grand Trunk Western Railroad Incorporated (“GTW”) of Illinois Central Corporation (“IC Corp”), Illinois Central Railroad Company (“ICR” or “IC”), Chicago, Central & Pacific Railroad Company (“CCP”) and Cedar River Railroad Company (“CRRC”) subject to the conditions for the protection of railroad employees described in New York Dock Railway-Control-Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979), *aff’d sub nom. New York Dock Ry. V. United States*, 609 F.2d 83 (2d Cir. 1979), and

WHEREAS, the Surface Transportation Board in a decision dated September 5, 2001 (STB Finance Docket 34000), approved the acquisition by Canadian National Railway Company (“CNR” or “CN”) of the Wisconsin Central Transportation Corporation (“WCTC” or “WC”) subject to the conditions for the protection of railroad employees described in New York Dock Railway-Control-Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979), *aff’d sub nom. New York Dock Ry. V. United States*, 609 F.2d 83 (2d Cir. 1979), and

WHEREAS, in a filing dated October 30, 2007 (STB Finance Docket No. 35087), Canadian National Railway Company (“CNR”) and Grand Trunk Corporation (“GTC”) and EJ&E West Company (“EJ&EW”) filed an application pursuant to 49 U.S.C. Sections 11321-26 for approval of a proposed transaction by which CNR and GTC would acquire control of the EJ&EW. It is anticipated that the transaction will be subject to the conditions for the protection of railroad employees described in New York Dock Railway-Control-Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979), *aff’d sub nom. New York Dock Ry. V. United States*, 609 F.2d 83 (2d Cir. 1979), and

WHEREAS, the above railroads advised the Brotherhood of Maintenance of Way Employees

("BMWED") of their intent to reach a voluntary agreement in accordance with the protective conditions for the purpose of changing their operations as a result of the above transactions,

THEREFORE, in accordance with Article 1, Section 4 of the protective conditions, this Implementing Agreement is made by and between IC, WC, EJ&EW, and the BMWED to establish procedures for the transfer of EJ&EW and WC employees and positions to the IC.

IT IS AGREED:

1. On the effective date of this Agreement, all WC territory south of Mile Post 40.5 on what is currently the (WC) Waukesha Subdivision and all territory formerly operated by the EJ&EW will be consolidated with and become part of the IC Northern Region Territory covered by the IC/BMWED schedule agreement. All maintenance of way work (as identified in the IC schedule agreement) performed on such territory will belong to the Maintenance of Way Department employees of the IC.

2. (A) During the thirty-day period prior to the effective date of this agreement, the two (2) WC positions presently assigned at Schiller Park will be abolished, re-bulletined and assigned as the most similar, if not equivalent, IC positions to be subject to the IC/BMWED schedule agreement. The bulletins will contain language advising applicants that the abolishment will be effective on the effective date of this agreement and that the successful applicants will become IC employees subject to the IC/BMWED schedule agreement upon commencement of operations under this agreement. In the event no bids are received from WC employees for one or both of these positions, the position(s) will be bulletined to the employees from the former EJ&EW and the IC Northern Region, and will be assigned to the highest ranking employee from the dovetailed seniority roster pursuant to the IC/BMWED schedule agreement.

(B) On the effective date of this agreement, all EJ&EW maintenance of way positions will be converted to the most similar, if not equivalent, IC Maintenance of Way Department positions subject to the IC/BMWED schedule agreement. In any event, all EJ&EW maintenance of way employees, (i.e., those not assigned to the Gary Railway Company) will report for duty at their last designated assembly/reporting point on the effective date of this agreement.

3. Employees subject to Paragraph 2 will have all of their respective EJ&EW or WC seniority converted to the most similar, if not equivalent, IC seniority dates, which will be dovetailed into applicable IC seniority rosters with the seniority dates held by employees on the IC Northern Region. On each applicable seniority roster, former EJ&EW Gary Seniority District employees will be listed with a "G" prior right designation signifying that they will have preference over other employees having no such designation on all fixed headquarter positions located on the former EJ&EW Gary Seniority District territory. On each applicable seniority roster,

former EJ&EW Joliet Seniority District employees will be listed with a “J” prior right designation signifying that they will have preference over other employees having no such designation on all fixed headquarter positions located on the former EJ&EW Joliet Seniority District territory. On each applicable seniority roster, former WC employees will be listed with a “W” prior right designation signifying that they will have preference over other employees having no such designation on all fixed headquarter positions located on former WC territory south of Mile Post 40.5. On each applicable seniority roster, current IC Northern Region employees will be listed with an “T” prior right designation signifying that they will have preference over other employees having no such designation on all fixed headquarter positions located on the IC Northern Region as it existed prior to this Agreement. Prior rights of these former EJ&EW, WC and current IC employees will apply to seniority they may obtain in the future, as well. Employees hired subsequent to the effective date of this agreement will not establish prior rights under this agreement. ~~Mobile positions bulletined subsequent to the effective date of this agreement will be awarded based on the dovetailed roster, without regard to prior rights.~~ **Mobile positions will be awarded based on prior rights designations as outlined in Paragraph #3. Prior rights will be determined by which former territory the gang is originally bulletined. For example, if a gang will begin work on the EJ&E territory, all positions will be listed with a “G” or “J” prior rights designation. Any time such gang would cross over former seniority territory lines, those individuals with prior rights designations on the new working territory will, within fifteen (15) days, be allowed to bump. Any employee so bumped will be allowed to exercise seniority in accordance with the collective bargaining agreement. Any employees not bumped, must remain with the gang, regardless of its moves, unless they are able to successfully bid to another position under normal bid procedures of the IC agreement.**

Amended per Letter of June 25, 2009

4. In the event two or more employees from the different seniority rosters have identical seniority dates, the employees shall be ranked first by service dates, then, if service dates are the same, their rank on the roster shall be in accordance with the alphabetical order of the letters of their names pursuant to Rule 3 (a) of the IC/BMWED schedule agreement. This shall not affect the respective ranking of employees with identical seniority dates on their former seniority roster.

5. Former EJ&EW employees transferred to IC under Paragraph 2 will continue to participate in the Bessemer Non-Contributory Pension Plan in effect under the EJ&EW schedule agreement for a period of six years from the effective date of this agreement. At the conclusion of six years, employees presently participating in the above mentioned pension plan will cease accruing further Continuous Service used to calculate the pension benefit under the plan. While the number of years of Continuous Service under the plan will “freeze” at the conclusion of the six-year period, for pension accrual purposes, growth in pensionable earnings will be considered in the calculation of the pension benefits payable upon retirement or other termination of employment.

Continuous Service with the Company after the six-year period will count towards eligibility to retire under the plan. Continuous Service is used to determine which retirement an employee qualifies for, such as a 30-year retirement.

6. Other than as specified in paragraph 5, EJ&EW employees transferred to IC under Paragraph 2 will be subject to all benefits plans under the IC-BMWED agreement effective on the first day of the first month following the effective date of this Agreement.

7. WC employees transferred to IC under Paragraph 2 will be subject to all benefit plans under the IC-BMWED agreement effective on the first day of the first month following the effective date of this Agreement.

8. The employee protective benefits and conditions as set forth in the New York Dock conditions, attached hereto as Attachment "A," shall be applicable to this transaction. There shall be no duplication of benefits by an employee under this agreement and any other agreement or protective arrangement. Employees referred to in this paragraph who elect the New York Dock Conditions protection shall, at the expiration of their New York Dock Conditions protective period, be entitled to such protective benefits under applicable protective agreements provided they thereafter continue to maintain their responsibilities and obligations under applicable protective agreements and arrangements.

9. Any employee determined to be a "displaced" or "dismissed" employee as a result of this transaction, who is otherwise eligible for protective benefits and conditions under some other job security agreement, conditions or arrangements shall elect, in writing, within sixty (60) days of being affected, between the protective benefits and conditions of this agreement and the protective benefits and conditions under such other arrangement by giving written notification to the carrier's designated individual, with copy of such election to the employee's duly authorized union representative. Should any employee fail to make an election of benefits during the period set forth in this paragraph, such employee shall be considered as electing the protective benefits and conditions of this agreement.

10. Each "displaced or dismissed employee" claiming protective allowances shall, within sixty (60) days from the end of the month for which benefits are claimed, provide the Carrier's designated individual the following information for the month in which such employee is claiming benefits on a standard form provided by the Carrier.

- (a) The day(s) claimed by such employee under any unemployment insurance act.
- (b) The day(s) claimed by such employee worked in other employment, the name(s) and address(es) of the employer(s) and the gross earnings made by the dismissed employee in such other employment.

- (c) The day(s) for which the employee was not available for service due to illness, injury or other reasons for which the employee could not perform service and the employee received sickness benefits.

11. If the “dismissed employee” referred to herein has nothing to report account not being entitled to benefits under any unemployment insurance law, having no earnings from any other employment, and was available for work the entire month, such employee shall submit the form provided by the carrier annotated “Nothing to Report.”

12. No claim for protective benefits shall be honored if not submitted within sixty (60) days from the end of the month for which benefits are being claimed, except in circumstances beyond the individual’s control.

13. When payment of protective benefits is due, the carrier will make payment of the protective benefits within sixty (60) days of receipt of the claim. If a claim for protective benefits, or any portion thereof, is to be declined by the Carrier, such declination will be sent to the employee within sixty (60) days of receipt of the claim. If not so declined, the claim will be allowed as presented but this will not be considered as a precedent or waiver of the Carrier’s contentions as to other similar claims.

14. Employees transferring from EJ&EW or WC to IC pursuant to this agreement, shall be credited with prior EJ&E, EJ&EW or WC service for purposes of vacation, personal leave, entry rates, protection under the Job Stabilization Agreement dated February 7, 1965, as amended September 26, 1996, and other present or future benefits which are granted on the basis of qualifying years of service in the same manner as though all such time had been spent in the service of IC. Employees transferring from EJ&EW or WC to IC pursuant to this agreement shall thereafter be IC employees and shall be subject to IC rules, rates of pay and working conditions.

15. This agreement shall constitute a required agreement, as stipulated in Article I, Section 4 of the protective conditions, to consolidate and coordinate BMWED work. The parties understand that in the future, other implementing agreements may be necessary to carry out the financial transactions set forth in STB Finance Docket Nos. 33556, 34000, and 35087. The parties understand that such agreements are subject to notice, negotiation, and possible arbitration under Article I, Section 4 of the New York Dock conditions.

16. Any dispute arising out of this Implementing Agreement and the Attachments will be handled by the appropriate duly authorized union representative with the officer designated to receive such claims and grievances for the carrier. All unresolved disputes will be disposed of in accordance with the applicable provisions of New York Dock.

17. The provisions of this Implementing Agreement have been designed to address a particular situation. Therefore, the provisions of this Implementing Agreement are without precedent or prejudice to the position of either party. The parties to this agreement will not refer to this agreement or any part of it in any subsequent judicial or administrative proceedings, negotiations or any other forum other than those concerned with adjudicating disputes arising under this agreement.
18. This Agreement shall be effective upon no less than thirty (30) days written notice from the Carriers to the Organization.

Signed this 2nd day of July, 2009 at Homewood, Illinois.

ILLINOIS CENTRAL RAILROAD COMPANY
WISCONSIN CENTRAL TRANSPORTATION
CORPORATION

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director, Labor Relations

(Original Signatures Not Reproduced)
Dale L. McPherson-Manager, Labor Relations

BROTHERHOOD OF MAINTENANCE
OF WAY EMPLOYES DIVISION

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

APPROVED:

(Original Signatures Not Reproduced)
Dave Joynt, Vice President, BMWED

Side Letter 1

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding reached during negotiations leading to the Implementing Agreement of this date. We agreed that all employees subject to paragraph 5 who are still in active service six years from the effective date of this agreement and have not attained 30 years of continuous service will be granted a lump sum payment of five thousand (\$5,000) dollars.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter 2

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding reached during negotiations leading to the Implementing Agreement of this date.

Appendix C-3 Paragraph (d) of the IC-BMWED agreement shall be amended as follows:

The total number of active employees assigned to regular full time positions will be no less than six hundred forty (640). This shall include no less than 70 employees assigned to the Western Region and a total of no less than five hundred fifty-five (555) employees assigned to the combined Northern and Southern Regions. The company will have the unilateral right to contract out work within the scope of this agreement and shall not be required to give advance notice of intent to the organization.

NOTE: The numbers contained in the paragraph immediately above were derived as a result of a negotiating process and, as such, are not to be construed to convey or imply that they are predicated on any specific formula, circumstance or event and will not be referred to by either party in any other forum or dispute not specifically related to the transaction which is the subject of the implementing agreement signed this date.

Appendix C-3, paragraph (h) of the current agreement shall be amended as follows: The number of active employees specified in paragraph (d) is based on the trackage rights covered by the IC-BMWED schedule agreement as it exists on the effective date of this Agreement. In the event conditions of the railroad change with respect to trackage, in an amount that would require a significant change in the number of active employees specified in paragraph (d), said number shall be subject to renegotiation between the company and the organization.

Rule 13, Paragraph G of the WC-BMWED agreement shall be amended as follows:

- G. The number of active employees specified in paragraph E is based on the facilities and number of track miles owned, operated, and maintained by the former Wisconsin Central (other than those lines south of Mile Post 40.5); Duluth, Winnipeg and Pacific; Minnesota and Manitoba; and Duluth, Missabe and Iron Range Railroads as of January 1, 2005. In the event facilities and number of track miles owned, operated, and maintained by the above railroads change to the extent that would require a significant change in the number of active employees specified in paragraph E, said number shall be subject to renegotiation between the company and the organization.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)

Roger K. MacDougall-Sr., Director, Labor Relations

(Original Signatures Not Reproduced)

Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)

Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)

Tom Legner-General Chairman-EJ&EW

Side Letter 3

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding, reached during negotiations leading to the Agreement of this date, regarding the transition to a bi-weekly pay system with two weeks delay.

We agreed that, in an effort to ease the transition to a bi-weekly pay system with two weeks delay, actively working employees who are transferred to the bi-weekly pay system will, upon written request, receive \$1,500 on the last scheduled pay date under their current procedures. Such sum shall not be subject to taxes or interest. Employees electing this option must submit the Carrier-provided forms to the Manager of Payroll-US, 17641 South Ashland Avenue, Homewood, IL 60430 (fax no. 708-332-3854) for processing. The \$1,500 will be considered an advance and will be recovered at the rate of \$125 per pay period, beginning with the first scheduled regular bi-weekly pay date. Employees who leave the service of the Company will have any remainder deducted from their last paycheck.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter 4

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding, reached during negotiations leading to the Agreement of this date.

In regard to the prior rights established pursuant to this agreement, it is agreed that an applicant with a prior right designation, but no seniority for a bulletined headquarter position located on his prior right territory, will be given preference for the assignment over employees from another prior right territory, irrespective of seniority in the classification involved. For example, a Machine Operator position is advertised by bulletin which has a headquarter location in “J” prior right territory. There are no “J” prior right designated applicants with Machine Operator seniority. There are, however, two applicants for the position, one having a “W” prior right designation with Machine Operator seniority, and one having a “J” prior right designation without Machine Operator seniority. Pursuant to Section 3 of the Implementing Agreement and this side letter of understanding, the “J” prior right designated employee would be assigned to this bulletined Machine Operator position.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter 5

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding, reached during negotiations leading to the Agreement of this date. We agreed that, unless the incumbent vacates the position or is terminated for cause, the positions which were formerly EJ&EW or WC positions transferred to the IC will not be abolished for a period of at least forty-five (45) days after commencement of operations pursuant to the implementing agreement signed this date.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter 6

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our discussion this date regarding the three concerns raised by the Organization relative to dovetailing of WC and/or EJ&EW employees' seniority into the applicable BMWED-IC Northern Region rosters, that such rosters would be compiled in a timely fashion, and the application of prior rights with respect to bidding and force assignment to positions.

The first concern was that seniority under the BMWED-WC collective agreement consists of a single date based upon the employee's date entered service with the Carrier; therefore, WC employees do not possess classification seniority comparable to that under the BMWED-IC collective agreement. To resolve this issue in a fair and equitable manner, we have agreed to the following procedure.

Each WC and EJ&EW employee who transfers to the IC Northern Region under the terms of this Agreement shall have seniority dates dovetailed onto the applicable IC Northern Region seniority rosters. Employees' Prior Rights will be identified and shown on the initial dovetailed Seniority Rosters and on subsequent rosters.

Each WC employee's classification seniority date under the BMWED-IC collective agreement will be determined by using his/her existing qualifications established on the WC. Unless agreed otherwise, the date the employee became qualified for a particular position under the WC/BMWED schedule agreement will be the employee's seniority date in the BMWED-IC seniority classification(s) applicable to that qualification. However, for purposes of Trackman seniority, each WC employee's date entered service shall be considered that employee's Trackman seniority date under the BMWED-IC collective agreement.

The second concern was that the rosters to be compiled should be completed before the effective date of this agreement. To resolve this issue the parties agree that the Organization will provide the Carrier with a matrix that will identify the seniority classification(s) under the IC/BMWED schedule agreement to which EJ&EW seniority dates should be dovetailed. Likewise, the Organization will provide the Carrier with a matrix that will identify the seniority classification(s) to which WC qualification dates should be dovetailed. After the dovetailing process is concluded, the Carrier will promptly provide a copy of the seniority rosters for review to the Organization. The Organization shall review and advise of such corrections as deemed necessary. Once all corrections have been made, the revised rosters shall be adopted as the certified IC dovetailed roster.

The third concern was how prior rights would be applied with respect to force assignment of positions. To resolve this issue is was agreed:

When no bids are received for a bulletined mobile position on the IC Northern Region, the position will be filled in accordance with existing Rule 14 (h), (1) of the IC/BMWED schedule agreement.

When no bids are received for a bulletined headquarter position within the IC Northern Region, and no employees have applied for promotion to such a position pursuant to Rule 8 of the IC/BMWE schedule agreement, Rule 14 (h), (2), as modified below, will govern the order in which the vacancy or new position will be filled:

1. To the junior unassigned employee of the class without any prior rights whatsoever, i.e., an employee hired subsequent to the effective date of this agreement, who is furloughed and who lives within 75 miles of the headquarter location;
2. To the junior unassigned employee of the class with applicable prior rights, who is furloughed and who lives within 75 miles of the headquarter location;
3. To the junior unassigned employee of the class without any prior rights whatsoever, i.e., an employee hired subsequent to the effective date of this agreement who is regularly assigned to a lower class and who lives within 75 miles of the headquarter location;
4. To the junior unassigned employee of the class with applicable prior rights, who is regularly assigned to a lower class and who lives within 75 miles of the headquarter location;
5. To the junior unassigned employee of the class with prior rights on another prior right territory, who is furloughed and who lives within 75 miles of the headquarter location; and

6. To the junior unassigned employee of the class with prior rights on another prior right territory, who is regularly assigned to a lower class and who lives within 75 miles of the headquarter location.

Unless otherwise agreed or changed in accordance with the provisions of the Railway Labor Act, this modification to Rule 14 (h), (2) will expire once all employees with prior rights under this Implementing Agreement leave the service of IC as a result of resignation, death, retirement or dismissal for cause in accordance with the IC schedule agreement.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter 7

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding, reached during negotiations leading to the Agreement of this date; specifically, the reference to “the most similar, if not equivalent” positions in paragraphs 2 and 3. We understood that some Sub-departments and/or Classifications on the former EJ&EW may not be exactly the same as or correspond closely with Sub-departments or Classifications on the IC or, in some cases, might not fairly resemble any qualification. The parties commit herein to work jointly to incorporate former EJ&EW qualifications/classifications into the Sub-departments/classifications contained in Rule 2 of the IC Agreement in a fair and equitable manner.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter No. 8

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding reached during the negotiations of the Implementing Agreement of this date.

We agreed that advertisement bulletins for production gang positions scheduled to work within the territorial boundaries of the IC Northern Region shall contain, in addition to other information required under the IC/BMWED schedule agreement, the proposed work schedule for the production gang to which they will be assigned, respectively. The schedule shall show the projected work locations for the gang, and the tentative dates the gang is expected to work at each location. The schedule provided by the Carrier under this agreement is for informational purposes only; however, the Carrier will make a good faith effort to ensure the accuracy of the schedule at the time of its publication.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter No. 9

January 30, 2009

Mr. Hayward J. Granier
General Chairman, BMWED
1011 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia
General Chairman, BMWED
912 Redwood Road
Green Bay, WI 54304

Mr. Tom Legner
General Chairman, BMWED
2212 Ardaugh Ave
Crest Hill, IL 60403

Dear Sirs:

This will confirm our understanding reached during negotiations leading to the Implementing Agreement of this date.

We agreed that former EJ&EW employees, who are transferred to IC on or after the effective date of this agreement will be provided Health and Welfare coverage, which is identical to the coverage they enjoyed as EJ&EW employees. Such coverage will commence on the date they are transferred to IC pursuant to this agreement and will continue only until they are covered by the IC Health and Welfare Plan. This will confirm our commitment that there will be no lapse or break in coverage for such employees during the period described above.

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

Sincerely,

Agreed:

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW

Side Letter No. 10
January 30, 2009

Mr. Hayward J. Granier _____ Mr. Joe Letizia _____
General Chairman, BMWED _____ General Chairman, BMWED _____
1011 Paris Road _____ 912 Redwood Road _____
Mayfield, KY 42066 _____ Green Bay, WI 54304 _____
Mr. Tom Legner _____
General Chairman, BMWED _____
2212 Ardaugh Ave _____
Crest Hill, IL 60403 _____

Dear Sirs:

This will confirm our understanding reached during negotiations leading to the Implementing Agreement of this date. We agreed that the "protective period" as such term is described in Article I, (d) of the New York Dock conditions applicable to this transaction will be six (6) years for employees subject to this agreement, regardless of the employee's length of service with the Carrier on which employed on the day preceding the effective date of this agreement.

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

Sincerely, _____ Agreed: _____
(Original Signatures Not Reproduced) _____ (Original Signatures Not Reproduced) _____
Roger K. MacDougall Sr., Director, Labor Relations _____ Hayward J. Granier General Chairman, IC _____
_____ (Original Signatures Not Reproduced) _____
_____ Joe Letizia General Chairman, WC _____
_____ (Original Signatures Not Reproduced) _____
_____ Tom Legner General Chairman EJ&EW _____

Amended per Letter of June 25, 2009

Side Letter #10 is eliminated in its entirety. We agreed that Article I, (d) of the New York Dock conditions applicable to this transaction will be a maximum of six (6) years for employees subject to this agreement, subject to the employee's length of service with the Carrier on which employed on the day preceding the effective date of the Implementing Agreement

Side Letter No. 11
January 30, 2009

Mr. Hayward J. Granier _____ Mr. Joe Letizia _____
General Chairman, BMWED _____ General Chairman, BMWED _____
1011 Paris Road _____ 912 Redwood Road _____
Mayfield, KY 42066 _____ Green Bay, WI 54304 _____
Mr. Tom Legner _____
General Chairman, BMWED _____
2212 Ardaugh Ave _____
Crest Hill, IL 60403 _____

Dear Sirs:

This will confirm our understanding reached during negotiations leading to the Implementing Agreement of this date. We agreed that, for a period beginning on the effective date of the agreement and continuing through June 30, 2010, the per diem amounts provided in Rule 36 (b) (1) shall be increased by \$1.50 for the employees specified below:

- a) Former EJ&EW employees working on IC territory south of Matteson, IL or southwest of Joliet, IL.
- b) Former IC employees working on EJ&EW territory north of Munger, IL.
- e) Former WC employees working south of Forest Park, IL.

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

Sincerely, _____ Agreed: _____
(Original Signatures Not Reproduced) _____ (Original Signatures Not Reproduced) _____
Roger K. MacDougall Sr., Director, Labor Relations _____ Hayward J. Granier General Chairman, IC _____
_____ (Original Signatures Not Reproduced) _____
_____ Joe Letizia General Chairman, WC _____
_____ (Original Signatures Not Reproduced) _____
_____ Tom Legner General Chairman EJ&EW _____



June 25, 2009

Mr. Tom Legner, General Chairman
BMWED
2212 Argaugh Avenue
Crest Hill, IL 60403

Mr. Hayward J. Granier, General Chairman
BMWED
1101 Paris Road
Mayfield, KY 42066

Mr. Joe Letizia, General Chairman
BMWED
912 Redwood Road
Green Bay, WI 54304

Gentlemen:

This will confirm our further understanding, in regards to the Implementing Agreement signed on January 30, 2009, that allows for the consolidation of the BMWED agreements concerning the Illinois Central, the Wisconsin Central and the EJ&E West Company.

We agreed to the following:

- A. ~~Mobile positions will be awarded based on prior rights designations as outlined in Paragraph #3. Prior rights will be determined by which former territory the gang is originally bulletined. For example, if a gang will begin work on the EJ&E territory, all positions will be listed with a "G" or "J" prior rights designation. Any time such gang would cross over former seniority territory lines, those individuals with prior rights designations on the new working territory will, within fifteen (15) days, be allowed to bump. Any employee so bumped will be allowed to exercise seniority in accordance with the collective bargaining agreement. Any employees not bumped, must remain with the gang, regardless of its moves, unless they are able to successfully bid to another position under normal bid procedures of the IC agreement.~~ **Changed within the Implementing Agreement of July 02, 2009**
- B. ~~Rule 33(g) is amended as follows:

Employees may be held out of service pending hearing and decision, and if discipline be assessed, the period so held from service shall be deemed to be included in any disciplinary period thereafter involved. Such hearing must be held within five (5) calendar days from the date removed from service, unless postponed as outlined in 33(b).~~ **Changed within the Working Agreement.**
- C. ~~Rule 14(a) is amended as follows:

All new positions or vacancies expected to last more than 30 days, except for Group D machine operators, will be posted for a period of 15 days at the headquarters of the gangs in the subdepartment of the employees entitled to consideration in filling the positions, during which time employees may file their applications with the official, whose name appears on the bulletin. Such bulletin will show headquarters' point, title of position, temporary or permanent, rate of pay, hours of service, gang, machine or position number, and rest days of position bulletined. Appointments will be made not less than 15 days or more than 30 days from date of bulletin. Name of successful applicant will be posted. Copy of bulletin and award will be furnished local chairman and general chairman. Successful applicants must remain on the position assigned for a minimum of 180 days for Bridge Department positions, 60 days for Machine Operator positions or 45 days for all other positions, unless~~

~~the position is abolished, the employee is displaced, or the employee has an opportunity to bid on a bulletined position which is ranked higher or has a higher rate of pay. When differentials are applicative to particular positions, such differential will be included when calculating higher rate of pay.~~ **Changed within the Working Agreement.**

D. ~~The thirty (30) day time periods referenced in Paragraphs 2(A) and 18 are waived.~~ **Changed within the Implementing Agreement of July 02, 2009**

E. ~~Side Letter #10 is eliminated in its entirety. We agreed that Article I, (d) of the New York Dock conditions applicable to this transaction will be a maximum of six (6) years for employees subject to this agreement, subject to the employee's length of service with the Carrier on which employed on the day preceding the effective date of the Implementing Agreement.~~ **Changed within the Implementing Agreement of July 02, 2009**

Sincerely,

(Original Signatures Not Reproduced)
Roger K. MacDougall-Sr., Director. Labor Relations

We concur:

(Original Signatures Not Reproduced)
Hayward J. Granier-General Chairman, IC

(Original Signatures Not Reproduced)
Joe Letizia-General Chairman, WC

(Original Signatures Not Reproduced)
Tom Legner-General Chairman-EJ&EW



www.cn.ca

United States Region

Dale L. McPherson
Manager, Labor Relations

17641 S. Ashland Avenue
Homewood, Illinois 60430-1345
708-332-3571 (Telephone number)
708-332-6737 (Facsimile number)

September 1, 2009

Mr. Hayward J. Granier, General Chairman
Illinois Central Gulf Federation BMWED
1011 Paris Road, Suite 333
Mayfield, KY 42066

Mr. Tom Legner, General Chairman
EJ&E BMWED
2212 Argaugh, Ave.
Crest Hill, IL 604403

Re: CC&P prior rights-IC Regional Gang

Dear Sirs:

This will confirm our understanding reached to facilitate proper application of Paragraph 3 and Side Letter No. 6 of the EJ&E/IC Implementing Agreement signed January 30, 2009 and Paragraphs A and C of the Amendment thereto dated June 25, 2009 as it pertains to the Regional Gang Agreement signed on June 22, 2009. Specifically, due to the application of the Implementing Agreement, former IC Northern Region and former EJ&E employees were identified as having prior rights to assignments on those former respective territories; however, Western Region employees were not identified with prior rights to assignments on the IC Western Region. Consequently, applicable Prior Rights will be established and appear on all existing seniority district rosters.

To properly establish and maintain the Maintenance of Way Regional Gang Bid and Displacement Roster it was mutually understood that such Roster would be established as follows. Employees will be placed on the Regional Bid and Displacement Rosters in order based on an employee's earliest enter service date with the applicable prior rights designation shown. Former EJ&E employees will be listed on the Maintenance of Way Regional Gang Bid and Displacement Roster with an "EJE" prior rights designation signifying that they will have preference over other employees having no such designations on positions working on the former EJ&E territory. Currently IC Northern Region employees will be listed on that Roster with an "N" prior right designation signifying that they will have preference over other employees having no such designation on positions working on the IC Northern Region as it existed prior to the Implementing Agreement of June 25, 2009. Current IC Western Region employees will be listed on that Roster with a "W" prior right designation signifying that they will have preference over other employees having no such designation on positions working on the IC Western Region. Prior Rights of these former EJ&E, and current IC Northern and IC Western employees will apply to seniority they may obtain in the future, as well. **Employees hired subsequent to the effective date of this agreement will not establish prior rights under this agreement.**

Awarding positions on Regional Gangs established pursuant to the June 22, 2009 Regional Gang Agreement will be as follows. First positions are awarded based on prior rights to the territory where the Regional Gang is scheduled to start work or is currently working. Then, all remaining positions will be awarded based on the Regional Gang Bid and Displacement Roster.

We further understood and agreed that, except as specifically modified by this agreement, Agreements referenced herein are unchanged.

Should you concur, please sign both copies and return one to the undersigned.

Sincerely,

I Concur,

(Original Signatures Not Reproduced)

D.L. McPherson
Manager – Labor relations

(Original Signatures Not Reproduced)

Hayward Jude Granier
General Chairman
BMWED-IC

(Original Signatures Not Reproduced)

Tom Legner
General Chairman
BMWED-EJ&E

(Original Signatures Not Reproduced)

J. R. Cook
Vice President-BMWED



May 7, 2010

Mr. Hayward J. Granier, General Chairman
BMWED
1011 Paris Road, Suite 333
Mayfield, KY 42066

Mr. Tom Legner, General Chairman
BMWED
2212 Argaugh, Ave.
Crest Hill, IL 604403

Mr. Joe Letizia, General Chairman
BMWED
912 Redwood Drive
Green Bay, WI 54304

Gentlemen:

In order to develop a structure for the proper application of mobile prior rights, as stated in the June 25, 2009 and the January 30, 2009 Agreements between the Illinois Central Railroad Company, the Wisconsin Central Transportation Corporation, the EJ&E West Company and the BMWED, it is agreed:

1. Displacement form and pay.

- a) The Carrier will create a displacement form to permit prior rights employees to express their desire to displace onto a mobile gang within the 15 day period outlined in paragraph A of the June 25, 2009 Agreement.
- b) When a gang moves onto another prior rights territory employees from that prior rights district must submit this form as application to displace onto the gang, **utilizing prior rights**. The form will give the employees the opportunity to list the positions they would like to displace onto, in order of preference.
- c) At the end of the 15 day period, the Carrier will determine the senior applicants for these positions and notify these employees to report to the gang immediately.
- d) The Carrier will compensate employees who are assigned to the gang any difference in pay for the position from the date the prior rights displacement application was submitted to the carrier and continuing until the date the employee reports to the position at the end of the 15 day period.
- e) In the event the mobile gang does not stay on the prior rights district for 15 days and the senior employees are accordingly not permitted to protect the assignment, they will be paid the difference in pay for the number of days the displacement application had been submitted.

2. Displacement rights. The following are examples of displacement rights under this agreement:

- a) A prior rights EJ&E employee who bids to and is awarded a mobile position on a gang which has been working on the former IC territory for more than 15 days may not be displaced by an IC prior rights employee, except as indicated in example 2 b) below.
- b) Prior rights employees who have displacement rights may displace onto a mobile gang **working** in their territory without regard to the 15 day period outlined in paragraph A of the June 25, 2009 Agreement. In this regard, a prior rights IC employee who has been displaced or whose job has been abolished may displace the EJ&E prior rights employee in example 2 a) above, regardless of when the gang crossed over the seniority territory lines.

c) An IC prior rights employee who bids to a position on a mobile gang working on IC territory will be awarded the position ahead of an EJ&E prior rights employee, regardless of seniority in that classification.

3. Displacement without seniority in a classification & training.

a) It is understood that prior rights employees may displace onto a position regardless of whether they have seniority in that classification.

b) Employees who are displaced may be held on the job to train the new employee, up to a maximum of thirty (30) days.

4. Bulletins.

a) When a mobile gang first starts up, it will be bulletined with a preference to the prior rights territory where it is scheduled to start working. The bulletin will state where it is scheduled to start working.

b) If a vacancy occurs that must be bulletined after a gang has started working, the bulletin will list the territory where the gang is currently working and prior rights employees in that territory will be given preference to the assignment.

c) If the gang has moved to another prior rights territory before the assignment can be made, the award will show where the gang moved to and the assignment will be made with preference to the applicant from the territory where the gang is currently working.

Sincerely,

Agreed:

(Original Signatures Not Reproduced)

Allan L. Brunmeier
Manager Labor Relations

(Original Signatures Not Reproduced)

Tom Legner, General Chairman –EJ&E

(Original Signatures Not Reproduced)

Hayward Granier, General Chairman –IC

(Original Signatures Not Reproduced)

Joe Letizia, General Chairman –WC

Approved:

(Original Signatures Not Reproduced)

Dave Joynt, Vice President - BMWED.

AGREEMENT

BETWEEN
ILLINOIS CENTRAL RAILROAD COMPANY
AND
BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES DIVISION

IT IS AGREED:

1. The Carrier may allow one Maintenance-of-Way Gang (TS-91) composed of employees from IC-Southern Region territory to perform work over the IC Northern Region territory, south of Milepost 34 on the Chicago Subdivision. Employees assigned to this Gang will be working under the current Cedar River-Chicago, Central & Pacific-Illinois Central Railroad Company - working agreement, as subsequently amended, subject to the exceptions contained in this agreement.
2. For the purposes of this agreement, production work that may be performed by this Gang is confined to the following work activities: tie installation and surfacing, and rail installation. This Gang will be “a gang that is heavily mechanized and mobile, continuously performing specific, programmed, major repair and replacement work utilizing a substantial (no fewer than twenty) number of employees.” This definition however, does not limit the Carrier's right to utilize Northern Region territory employees to perform these work activities nor does it limit the Carrier's right to propose and reach mutual agreement that other production work be performed by Southern Region territory Gangs in the future. Employees who voluntarily accompany this Gang to perform work over the IC Northern Region territory must remain on such positions for at least thirty (30) days unless the position is abolished, the employee is displaced, or the employee has an opportunity to bid on a bulletined position which is ranked higher or has a higher rate of pay.
3. Except in major emergency circumstances, this Gang will be limited to work which is generally associated with the work of the specific Gang. There is no intent on the part of the Carrier to utilize a Southern Region territory Gang to perform routine maintenance work not generally associated with work performed by a Northern Region territory Production Gang.

NOTE: Specific support functions which include a fuel truck(s), material handler(s) and work equipment mechanics may be assigned with starting times which are the same as, or different than the starting times observed by the Production Gang; provided that the starting time of the above referenced functions shall be between 4:00 a.m. and 11:00 a.m. and shall not be changed without at least thirty-six (36) hours notice, except that not less than forty-eight (48) hours notice shall be given for a change which is greater than four hours. Starting times shall remain in effect for at least five consecutive days.

Other support forces, which are “directly involved” and are working as an “integral part” of this Southern Region Gang, will receive all applicative differentials afforded the production gang with which they are supporting.

4. An equal number of Northern Region employees as the number of Southern Region employees who are working the production gang will receive the same differentials for the same hours worked. Under the terms of this agreement, an employee from the Northern Region is entitled to the differential based on his or her location and then earliest seniority date within the Track Sub-Department, and such will be verified with the General Chairman.
5. Employees assigned to the gang working in accordance with this agreement will not be subject to entry rates.

6. During the period in which the production gang, established in accordance with this agreement is performing work on the Northern Region, there will be no employees furloughed on the IC Southern Region seniority territory.
7. Where there exists a production gang bulletined vacancy, per Section 1, above, employees who have either Northern Region or Southern Region seniority may bid on the production gang established herein or exercise seniority to the production gang in the event they have a seniority move available to them. Successful applicants will be determined by their earliest seniority date within the Track Sub-Department, regardless of the Region on which the employee holds seniority. It is understood that for the purpose of this limited agreement, the prior rights established on originating properties, if and where applicable, do not apply. Northern Region employees who are successful applicants to the gang established under this agreement will not establish Southern Region seniority. Southern Region employees will not be permitted to bid on support gang positions.
8. The work week of a Southern Region Gang working under this agreement, a specific support function or other support forces as noted above will be established under some variant of an Accumulated Rest Day work arrangement to be agreed upon by the parties, if other than, five (5) work days of eight (8) hours and with two (2) days off. Changes in the work week or accumulated rest day work arrangement, as stated above, to accommodate the different work windows may be accomplished by written notice to the employees assigned, with copy to the General Chairman, issued not less than five (5) days prior to the completion of a work cycle. Changes in work cycle as contemplated under this paragraph will not require abolishment or re-bulletining of such positions on the gang.
9. No elimination of vacation credits will occur by virtue of being assigned under the Work/Rest Day arrangement provided by this agreement or some other Accumulated Rest Day work arrangement. Employees who work the entire schedule during the periods identified above, preceding and following any holidays, will receive pay for such holiday(s).
10. Employees assigned to this Southern Region territory Gang including the specific support function(s) or other support forces as noted above shall be eligible for expenses as described in Rule 36(b) of the current CR-CC&P-IC BMWED working agreement, as subsequently amended. In addition, employees working on this Southern Region territory Gang position, including the specific support function(s) or other support forces as noted above, will also be paid a differential of \$1.35 per hour above the applicable IC rate of pay.
11. When employees assigned to this Gang including the specific support function(s) as noted above are required to report to a work location on other than the employee's home seniority district, such employees will receive an additional \$15.00 per diem.
12. At the beginning of the work cycle employees are required to travel from their home to the initial reporting location, and at the end of the work cycle they will return home. Accordingly, employees reporting to a work site which is on other than the employee's home seniority territory and who meet all of the criterion listed below will be reimbursed for mileage driven in the employee's personal vehicle at the applicable IRS rate then in effect, for all miles traveled between the employee's residence and the reporting site, measured by the most direct highway route for each round trip from their residence to their reporting location. Employee(s) assigned to these Gang positions, including specific support positions as noted above, shall be eligible for the mileage reimbursement only when:
 - i. Reporting to a work location on other than the employee's home seniority territory; and
 - ii. The reporting location is more than 100 miles from the employee's residence (measured by most direct highway route); and
 - iii. The employee actually uses their personal vehicle.
13. When the reporting location of a gang is changed during the work cycle, after regular working hours, by more than one hundred (100) miles, mileage from the former reporting location to the new reporting location (one way) at the rate specified in the preceding paragraph will be paid to employees meeting the requirements above; provided the new reporting location is on other than the employee's home seniority territory.

14. Except as otherwise specifically provided herein, this agreement is not intended to reduce or enhance the Carrier's commitment with respect to the minimum number of regular IC-BMWE forces and/or positions required as set forth in the CR-CC&P-IC-BMWE Collective Bargaining Agreement, nor is it intended to reduce or enhance an Employee's obligation to protect jobs or positions under rules governing seniority.
15. Except as expressly provided herein, this agreement will not otherwise change existing agreements between the Carrier and the union, nor shall this agreement be construed to change existing seniority district boundaries.
16. This agreement is intended to last two work cycles but may be cancelled by either party signatory hereto upon issuing advance notice of not less than thirty (30) days to the other of its intent to cancel the agreement.
17. Entrance into this agreement will not be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to operation of the Gang referenced herein.
18. Signed this 17th day of September 2010 at Homewood, Illinois.

**FOR THE
ILLINOIS CENTRAL RAILROAD**

**FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYEES DIVISION**

(Original Signatures Not Reproduced)

T. M. Hort
Manager – Labor Relations

(Original Signatures Not Reproduced)

H. J. Granier
General Chairman

(Original Signatures Not Reproduced)

J. R. Cook
Vice-President BMWED



Tim Martin Hort
Manager of Labor Relations
17641 South Ashland Avenue
Homewood, Illinois 60430

March 1, 2012

Hayward Jude Granier, General Chairman
Brotherhood of Maintenance
of Way Employes Division, IBT
100 West Farthings
Mayfield, KY 42066

Rolando Delmuro, General Chairman
Brotherhood of Maintenance
of Way Employees Division, IBT
6912 Foxwood Drive
Schererville, IN 46375

Dear Sirs:

This will reference our discussions during the LMC held on June 14-15, 2011 in Memphis, TN, and numerous discussions thereafter, concerning seasonal schedules for Track Inspectors and amendments to the current working agreement contained within this side letter. The parties recognize the value of other starting times for regular Track Inspector assignments involving service which is affected by environmental conditions.

Therefore it has been agreed that:

During the period from April 01 to October 01 of each year, Track Inspectors assigned to positions south of CN-IC Mile Post 31.6 (Stuenkel Road, IL) may have their normal starting times of not earlier than 5:00 AM and not later than 8:00 AM changed to not earlier than 6:00 AM and not later than 10:00 AM. Any variation of these dates beyond those specified above will be discussed and may be agreed upon between the parties prior to their implementation.

It is further agreed that Track Inspectors assigned to positions as described above may be advised of changes in their starting time(s) at any time up to two (2) hours before the end of the employee's tour of duty on the prior work day during the time period from April 01 to October 01 of each year. Starting times shall remain in effect for at least five consecutive days. Track Inspectors assigned to positions as described above will be allowed a special allowance of \$1.20 per hour for all hours worked during the time period from April 01 to October 01 of each year regardless of whether or not their starting times have been so changed.

As to the claims listed on attachment "A" filed on behalf of Track Inspectors concerning the change in their starting time, the parties agree as to a full and final settlement of those claims on a non-prejudiced, non-referable basis such that all Track Inspectors cited within those claims would receive an hour and one-half payment at their respective straight time rate of pay for each day they were required to report outside of their normal starting time of 5: AM to 8: AM.

This Agreement shall be considered a special agreement as to the terms and conditions addressed herein and shall amend the July 1, 2007 Working Agreement as to those terms and conditions. All terms and conditions not specifically addressed herein shall continue to be governed by the July 1, 2007 Working Agreement, as subsequently amended. In order to provide for an efficient implementation of this Agreement, all current Track Inspectors will be allowed within 30 days of the effective date of this agreement a one time displacement after providing twenty (20) days written notice to their respective supervisor.

Except as expressly provided herein, this Agreement will not otherwise change existing agreements between the Company and the Union, nor shall entrance into this Agreement be construed or serve as precedent with respect to any other agreements, proposals or disputes not specifically related to the application of the Track Inspector positions as referenced herein. This Agreement will remain in effect until modified in accordance with the Railway Labor Act, as amended.

If you agree this accurately reflects our understanding, please sign in the space provide below.

Executed this 26th day of March 2012.

Regards,

AGREED:

AGREED:

(Original Signatures Not Reproduced)
Tim Martin Hort
Manager of Labor Relations

(Original Signatures Not Reproduced)
Hayward Jude Granier
General Chairman
BMWED-IBT

(Original Signatures Not Reproduced)
Rolando Delmuro
General Chairman
BMWED-IBT

APPROVED:

(Original Signatures Not Reproduced)
J. R. Cook
Vice-President BMWED-IBT



www.cn.ca

United States Region

Labor Relations Manager
17641 S. Ashland Avenue
Homewood, Illinois 60430-1345
708-332-3570
708-332-6737 (fax)

SERVED VIA GTS

IC-BMWED-2011-00127

December 3, 2012

Mr. H.J. Granier, General Chairman
Brotherhood of Maintenance of Way Employes Division,
100 West Farthing
Mayfield, KY 42066

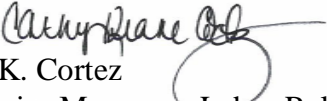
Dear Mr. Granier:

This will confirm our phone conference, during which we discussed the claim filed on behalf of Claimant Terry Bentley [PIN # 144674].

During the conference it was agreed that as full and final settlement of the claim, we would pay the claimant \$1,000. We further agreed that the position of Drone-Tamper will now be subject a \$1.00 per hour differential when working.

This file is considered closed.

Sincerely,


C.K. Cortez
Senior Manager - Labor Relations

Returning Vets' Rights

From Somalia to Haiti, the United States military has served our country in true patriotic fashion. The federal government has responded to the return home of our dedicated armed forces by enacting a comprehensive law that replaces the prior patchwork of laws governing veterans employment.

The Uniformed Services Employment and Reemployment Rights Act effective on December 12, 1994, governs the rights of veterans in seeking reemployment. The Act guarantees veterans the right to return to their jobs after military service without losing their seniority or benefits, and sets forth certain retraining rights.

Coverage

Under the Act, employees who enter the military for a temporary period of time (whether training or annual active duty) are guaranteed that upon return, they must be returned to their jobs without loss of seniority or benefits. This applies, unless the individual was employed by the employer for a brief, non-recurrent period prior to their military service and there was no reasonable expectation that the employment would continue indefinitely. A person may have reemployment rights even after five years of military service, which may be increased for such contingencies such as military training and involuntary active duty extensions.

Discrimination and Retaliation

the Act has broad anti-discrimination and anti-retaliation protections. An employer is expressly prohibited from discriminating against any employee or applicant with regard to hiring, reemployment, retention, promotion, or any benefit of employment because of participation or anticipated participation in a uniformed armed service. Furthermore, an employer may not make past, present or future membership in a uniformed service a motivating factor in an adverse employment action.

In addition, the Act protects employees who have filed a claim or participated in an investigation of a claim under the Act from any retaliation by the employer. Thus, this provision of the Act may protect employees who are not members of the military service as well.

Reemployment Rights

In order to be eligible for reemployment rights under the Act, an employee must apply for reemployment following the completion of the leave for military service. The timing and manner of application is based on the amount of time the employee was on military leave.

For an employee with less than 91 days of service, the Act requires the employer to reemploy the individual in a position that he would have been in if he had been continuously employed without interruption by military service. This would presumably imply the placement in any position of promotion, transfer, or non-probationary status that would have occurred in the normal course of the employee's career.

If the individual is not qualified for such a position, the employer must reemploy the employee in the same position he or she left. If an individual has more than 91 days of service, the requirements are the same, except that a position of similar seniority, status and pay may be offered. If the individual has a disability connected with military service which disqualifies him for reemployment in the position he would have attained but for military service or in the position that he left, the Act requires the employer to reemploy him in any other position of similar seniority, status and pay for which he is qualified or becomes qualified with reasonable accommodation by the employer.

Where two people are each subject to reemployment to the same position, the Act requires that the individual who first left for military service be employed in that position. However, the Act requires the employer to offer to the other employee a job in a similar position which is equivalent in seniority, status and pay.

Benefits Upon Reemployment

Upon reemployment, the Act entitles the employee to all of the benefits that the employee had at the beginning of the military leave, plus any additional benefits, including seniority, he would have attained had he not been on military leave. The costs of such benefits must be paid, however, in the same fashion that benefits are paid for all other employees on other kinds of leave. The Act also provides for continuous health plan coverage for up to one and one half years to persons who are absent as a result of military service.

Discharge Prohibition

Finally, the Act protects individuals reemployed from military service from discharge, *except for cause* for a certain amount of time, depending on the length of military service. If the period of military leave was more than 180 days, the employee cannot be discharged (except for cause) for one year. If the period of service was more than 30 days but less

than 181 days, the employee cannot be discharged (except for cause) for six months.

Enforcement

The Act gives the Department of Labor increased power to investigate and settle complaints of violations of the Act, including the authority to subpoena records and witnesses. An individual or the Secretary of Labor may file a federal lawsuit to remedy violations under the Act, and an individual who prevails under such a claim may be entitled to lost pay and benefits, reinstatement, attorney's fees, expert witness fees and other litigation expenses. If an employer's violation of the Act is deemed to be willful, a court may award double damages.

The reemployment rights of returning veterans are a vitally important and complicated topic for employers. As always, competent legal representation is the best way to ensure compliance with the complex provisions of this Act.

AGREEMENT
Between
Illinois Central Railroad Company (IC)
And its employees represented by
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES DIVISION
INTERNATION BROTHERHOOD OF TEAMSTERS (BMWED)

ARTICLE I – RATES OF PAY

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

ARTICLE II – LUMP SUM PAYMENT

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

ARTICLE III – HEALTH and WELFARE

All employees subject to this Agreement shall continue to be covered by the National Health and Welfare Plans as negotiated between the BMWED and the National Carriers Conference Committee.

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

ARTICLE V – GENERAL PROVISIONS

- A. The purpose of this Agreement is to settle the disputes growing out of the notices served by the Carrier upon the Organization on or subsequent to November 1, 2009 (including any

notices outstanding as of that date), and the notices served by the Organization upon the Carrier on or subsequent to November 1, 2009 (including any notices outstanding as of that date) and to fix the general level of compensation and rules covering working conditions through December 31, 2014, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

- B. Neither party to this Agreement shall serve or progress, prior to November 1, 2014 (not to become effective before January 1, 2015), any notice or proposal.
- C. This Article will not bar management and the organization from agreeing upon any subject of mutual interest.

Signed at Homewood, Illinois this ____ day of ____, 2014

FOR THE ILLINOIS CENTRAL

FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY
EMPLOYES DIVISION

C.K. Cortez
Senior Manager - Labor Relations

H.J. Granier
General Chairman

T. M. Sullivan
Director - Labor Relations

R. DelMuro.
General Chairman

J.R. Cook
Vice President



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 1

_____, 2014

Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Schererville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

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

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

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

Sincerely,

C.K. Cortez
Senior Manager – Labor Relations

I agree: _____
Hayward J. Granier

Rolando DelMuro



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 2

_____, 2014

Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Schererville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

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

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

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

C.K. Cortez
Senior Manager – Labor Relations

I agree: _____
Hayward J. Granier

Rolando DelMuro



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 3

_____, 2014

Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Scherverville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

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

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

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

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

Sincerely,

C.K. Cortez
Senior Manager – Labor Relations

I agree: _____
Hayward J. Granier

Rolando DelMuro



Labor Relations Department

17641 S. Ashland Avenue
Homewood, Illinois 60430

SIDE LETTER 4

February 26, 2014
Mr. Hayward J. Granier
General Chairman
Illinois Central Gulf Federation
P.O. Box 329
Mayfield, KY 42066

Mr. Rolando DelMuro
General Chairman
Elgin, Joliet & Eastern System Division
6912 Foxwood Drive
Scherverville, IN 46375-4462

Dear Messrs. Granier and DelMuro:

This will confirm our understanding reached during the negotiations leading to the tentative agreement of this date. The Parties recognize that this Agreement is subject to final review and approval by the Executive Officers for each respective party.

The Carrier and the Organization agree to notify each respective party of the results of such executive approval not later than twenty-eight (28) days from the date of this letter. If approval is granted by the executives of each respective party, the Organization agrees to conclude the ratification process in connection with their Constitution. The Organization will advise the Carrier of the results of such ratification process as soon as reasonably practicable.

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

C.K. Cortez
Senior Manager - Labor Relations

I agree: _____
Hayward J. Granier

Rolando DelMuro