

AGREEMENT BETWEEN
UTAH RAILWAY COMPANY
AND
ITS EMPLOYEES REPRESENTED
BY THE
BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES

BMWED-IBT
Received
MAR 15 2011
Mountain &
Plains Federation

BMWED-IBT
Received
APR - 4 2011
Mountain &
Plains Federation

**RULE 1
SCOPE**

This agreement governs the rates of pay and working conditions of employees in the Maintenance of Way and Structures Department in the classes enumerated in Rule 3 hereof.

**RULE 2
SUBDEPARTMENTS**

The following sub departments are hereby established within the Maintenance of Way and Structures Department covered by this agreement:

Welding/Bridge and Building subdepartment

Track subdepartment

Road Equipment subdepartment

**RULE 3
CLASSES**

The following classes are hereby established for the respective sub departments listed in Rule 2.

WELDING/BRIDGE AND BUILDING SUBDEPARTMENT

Class 1 B&B Foremen

Class 2 Helpers

TRACK SUBDEPARTMENT

Class 1 Section Foreman

Class 2 Assistant Section and Assistant Extra Gang Foremen

Class 3 Track Patrolmen

Class 4 Truck Driver

Class 5 Section Laborers, Section Track Machine Operators Groups 1 and 2 and Truck Drivers

Class 6 Crossing Watchmen

Note: Machines referred to above are as follows:

Bolt Machine, Rail Saws, Adzer, etc.

Note: Employees assigned to operate machines listed shall not as a part of their qualifications to operate such machines, be required to undergo rules examination or meet other requirements that are normally required of promoted employees.

BMWED-IBT

Received

MAR 15 2011

ROAD EQUIPMENT SUBDEPARTMENT

**Mountain &
Plains Federation**

Class 1 Operators
Class 2 Oilers

Classes and rates of pay of new positions hereinafter established shall be in accordance with the provisions of Article ___ of the October 7, 1959 Mediation Agreement. (See Wage Appendix).

RULE 4 CLASSIFICATION RULE

Each of the classes of work coming within the scope of this schedule shall be supervised and performed by the foremen, helpers and laborers holding seniority rights for such class of work. When employees of the proper seniority class are not available for emergency work of short duration, helpers and laborers may be used for any class of work. This rule shall not be used however to deprive employees of regular work for which they are available.

RULE 5 ESTABLISHMENT OF SENIORITY

Seniority Districts

The Seniority District for Utah Railway Employees as listed in Rule 3 of this Agreement shall be restricted to the track and locations as identified in Timetable No. 103 Dated July 15, 2004.

When Established

(a) Seniority shall begin as of the date of the assignment notice after an employee has begun work on a bulletined position for which he is the successful bidder. No employee shall establish a seniority date as a result of working in a position which has not been bulletined in accordance with Rule 10, except an employee hired to fill a bulletined position on which no employee has bid shall establish seniority from the date his pay starts.

Seniority in Lower Classes

(b) An employee in other than the Bridge and Building subdepartment who accepts and qualifies for a position in a higher class will thereby establish seniority not previously established in all lower classes in the sub department.

An employee who voluntarily relinquishes, in writing to the Manager of Maintenance of Way with a copy to the General Chairman, a position in a higher class and exercises his seniority rights on a lower class position within the same sub department will forfeit his seniority in all classes above the class in which he elects to place himself.

An employee of the Bridge and Building subdepartment who accepts and qualifies for a position above the class of Helper, will, if he has not previously done so, also establish seniority as a Helper. To establish seniority in the intervening classes in the Bridge and Building subdepartment assignments must be attained in accordance with the provisions of Rule 10.

Entering Service at Same Time

(c) Where two or more employees enter the service on the same day in the same class and seniority district; their numerical listing on the seniority district will be determined in the following order:

Preference shall be given to the employee who first drew compensation in the class. Where date of drawing compensation in the class is identical, preference shall be given to the employee with the greatest length of service in the subdepartment. If there has been no previous service in the subdepartment, the length of service

under this Agreement shall govern.

If there has been no service as provided above, rank shall be fixed in alphabetical order.

RULE 6 VALIDATING RECORDS

Applications for employment will be rejected within sixty (60) calendar days from the date of hire, or applicant shall be considered accepted. Applications rejected by the carrier must be declined in writing to the applicant
NOTE: An employee who has been accepted for employment will not be terminated or disciplined by the Carrier for furnishing incorrect information in connection with an application for employment or for withholding information there from 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.

Service Letters

All employees who furnished the Company with, certificates, letters of recommendation or other papers in connection with his application for employment or promotion shall have same returned to him within ninety (90) days. All employees leaving the service of the Company shall be furnished with Service Letters upon written request to his supervisor.

Personal Records

The transcript of personal records of employees shall be open to inspection by the General Chairman or his duly authorized representative upon request of the General Chairman.

RULE 7 SENIORITY ROSTERS

When Issued

Seniority rosters of employees of each subdepartment by class will be completed and revised as of June 1 each year. A copy of the seniority roster will be posted on bulletin boards at locations, i.e., tool houses, etc., accessible to the employees not later than July 1 of each year, Copies of the rosters will be furnished the General Chairman and the Local Chairmen of the Brotherhood.

Roster

Seniority rosters will show the individual's name, date of birth, and seniority date in all classes.

Corrections

Seniority rosters shall be open for correction until September 1 each year. Request for correction or protest shall be directed to the officer issuing such roster and any dating or ranking which remains unprotested during the sixty (60) day period between July 1, when the rosters are posted, and September 1 shall be considered as correct and no protest or request for correction will thereafter be considered, except that typographical errors or deletion may be corrected at any time.

RULE 8 PROMOTION

Seniority to Prevail

A promotion is an advancement from a lower to a higher class. Promotion shall be based on fitness, ability and seniority. Fitness and ability being sufficient, seniority in succeeding lower classes shall prevail.

Written Application

Except as provided herein, an employee desiring promotion to a higher class within his subdepartment will file written application of such desire with copy to the General Chairman.
All employees will be permitted to file a bid application with the Manager of Maintenance of Way with copy to General Chairman for transfer to any subdepartment under the Scope of this Agreement Such employees shall retain and accumulate previously established seniority.

Examination.

A uniform system of examinations embracing both theory and practical aspects of the work for each class shall be prescribed by the Company for the purpose of determining the abilities of the employee seeking promotion.
Examinations shall be conducted for each class as service requirements dictate.
Applicants successfully completing the examination will be notified promptly and will be eligible for promotion to the class in which advancement is sought on the basis of their relative seniority.

Supervisors to Cooperate

After an applicant has successfully completed the requirements as prescribed herein it will be the responsibility of the supervisor in charge of the work to determine the ability of the applicant to perform the work to which promotion is sought.

Such determination shall be made by providing the applicant a thirty (30) day trial period in which to demonstrate his ability, unless during such thirty (30) day trial period the supervisor in charge can show by reasonable evidence that the applicant does not possess sufficient ability to qualify for the new position.

Supervisors will cooperate with and assist applicants in adapting to new positions.

Failure to Qualify

An employee who fails to qualify shall be advised promptly in writing with copy to the General Chairman as to the cause or causes of his failure to qualify. Such employee shall return to his former class and position without loss of seniority and may again make application for promotion to said class after the expiration of ninety (90) days.

RULE 9 SENIORITY RETENTION

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

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

(c) An employee accepting a position with the Brotherhood shall retain and accumulate seniority rights and privileges as provided for the employees under this agreement and his name shall appear on the appropriate seniority rosters.

(d) An employee elected to a public office or appointed as an official of an agency of the Federal, State or City government will be granted leave of absence for sufficient time to enable him to take care of such duties subject to approval of the General Chairman.

(e) In the event such official position is abolished or the employee is displaced or demoted or he relinquishes the position, appointment or elective office, he shall return within forty-five (45) days to the seniority class from which promoted and displace any employee his junior in seniority. If there is no employee his junior assigned in that class he shall exercise his seniority in succeeding lower classes as provided in Rule 11.

RULE 10 ASSIGNMENT OF NEW POSITIONS--VACANCIES

SECTION I

Bulletining New Positions —Vacancies

(a) New positions and vacancies including temporary vacancies of thirty (30) calendar days or more duration created by the absence of the regular occupant of a position account sickness, leave of absence, etc., shall be bulletined to all employees holding seniority under this Agreement.

(b) New positions shall be bulletined as much in advance of their establishment as possible but in no event later than ten (10) calendar days after they are established.

(c) Vacancies, including temporary vacancies of thirty (30) calendar days or more duration, shall be bulletined as promptly as possible but in no event later than ten (10) calendar days after the vacancy occurs. A temporary vacancy which starts out on an indefinite basis shall be bulletined as soon as it is known it will exist thirty (30) calendar days.

(d) When employees occupying temporary positions bid on permanent vacancies or new positions they may show on their applications that they will remain on the temporary position until it is abolished or they are displaced, after which they will move to new assignment. In the event an employee is assigned to a permanent position and remains on his temporary position, his permanent position will be bulletined as a temporary vacancy.

Assignment

(e) Applications for all bulletined positions will be accepted until 12:00 noon on the tenth (10th) calendar day from the date bulletined, except that if the tenth (10th) day falls on a rest day or a designated holiday applications will be accepted until 12:00 noon on the first work day following.

(f) The senior applicant shall be promptly notified of his assignment to a bulletined position or vacancy and shall be placed thereon within seven (7) calendar days after notification unless prevented by sickness, vacation or leave of absence. An employee making application for a bulletined position shall furnish copy of such application to the General Chairman of the Brotherhood.

Posting Notices

(g) Notices of assignments, abolishments, and cancellations of bulletined positions shall be promptly furnished all employees concerned with copy to the Local Chairman and the General Chairman of the Brotherhood.

Where such communications including bulletins apply to more than one member of a gang they may be posted at the gang headquarters where bulletin boards are maintained for such purposes.

Withdrawal of Bid

(h) An employee who bids for an advertised position will be permitted to withdraw such bid provided his request is made to and received by the officer to whom his bid was directed prior to the closing of the advertisement. Request for withdrawal received after that time will not be considered.

Former Position

(i) When an employee is assigned to a bulletined position his former position shall be considered vacant and subject to assignment under this Rule. If the assignment is to be a temporary vacancy his former position shall be bulletined as a temporary vacancy.

Position Abolished

(j) In the event the successful bidder is not placed on an advertised position as a result of that position having been abolished he shall retain his former position.

No Bids Received

(k) In the event no bids are received on a bulletined position or vacancy, assignment shall be made in the following order:

1. To the senior unassigned employee of the class whether working in a lower class or out of service account-force reduction.
2. To the senior employee awaiting promotion who has qualified in accordance with the provisions of Rule 8.
3. By promotion of the senior employee in the succeeding lower class or classes in accordance with provisions of Rule

SECTION II

Bulletin Form

(a) Bulletins shall be numbered and shall show the title of position, headquarters, work district, hours of assignment (including lunch period), rates of pay and whether the position or vacancy is of a permanent or temporary nature.

(b) The requirements as to furnishing notice of gang origination as provided in this subsection (c) shall be met by placing the information outlined on the bulletin of the Foreman's position furnished to all regularly assigned section foremen who will in turn make the information available to the members of their gang by posting a copy of the notice on the bulletin board. (c) In the event two or more positions in a class are bulletined on the same notice a space shall be provided for the employee to indicate his choice of such positions. A copy of all bulletins shall be furnished to the Local Chairman and the General Chairman of the Brotherhood.

SECTION III

Transfer and Application for Transfer

(a) In the event that any vacancies are not filled by employees holding seniority in the subdepartment by bid, recall, or transfer, preference will then be given to senior employees filing bid applications from the Welding/13&B, Track Road Equipment, in accordance with the provisions of Rule 8 and will establish seniority in the sub-department to which transferred in accordance with Rule 5.

(b) Regularly assigned section laborers desiring to transfer to another section gang on their seniority district will make advance written application to the Manager of Maintenance of Way with copy to the General Chairman indicating the section gang to which transfer is sought. Any vacancies not filled by this procedure shall be filled

by recalling in seniority order off-in-force reduction section laborers and in their absence by new employees.
(c) Applications for transfer under this Rule remaining unfilled shall expire on December 31 each year.

SECTION IV

Filling Vacancies

(a) New positions and vacancies undergoing bulletining and assignment and temporary vacancies of less than thirty (30) calendar days' duration that are to be filled in the following order:

1. By the senior employee working in the gang or at the location who holds seniority in the class of the position to be protected who through force reduction is working in a lower class or furloughed account force reduction.
2. By the senior employee working in the gang or at the location who has qualified in accordance with the provisions of Rule 8.
3. To the senior unassigned employee of the class on the seniority district who is working in a lower class or furloughed account force reduction.
4. To the senior employee awaiting transfer who has qualified in accordance with the provisions of Rule 8.
5. By promotion of the senior employee in the succeeding lower class or classes in the subdepartment who has applied for promotion in accordance with the provisions of Rule 8 but who has not been qualified for or held an assignment in such class.

NOTE: Employees on temporary assignment will return to their former regularly assigned positions or status at the conclusion of temporary assignment, provided a senior employee has not exercised displacement rights thereon.

(b) Employees filling vacancies or protecting positions under the provisions of items (3), (4) or (5) under this subsection shall be allowed pay for travel time in accordance with subsection (b) of Rule 20 and reimbursed for expenses incurred in accordance with Subsection (b) of Rule 21 of this agreement.

SECTION V

Assignment of Truck Drivers

(a) A Truck Driver may be required to perform service on more than one class of work under the provisions of Rule 30 - "Composite Service" - in the subdepartment of the Maintenance of Way Department to which the position is assigned. For example, Truck Drivers may be required to perform service in any other capacity during days or portions of days when not engaged in work as a Truck Driver.

(b) A Truck Driver must procure, at his own expense, a license as a chauffeur that is valid for the localities where he will operate a company truck.

(c) Except as may be otherwise stated herein, all rules of this Agreement are applicable to positions of Truck Driver.

(d) There will be no separate seniority dates for Truck Drivers as such Seniority rights of a Track Department Truck Driver will be governed by his seniority date as track laborer.

QUESTIONS & ANSWERS

Q.1 When force reduction is made should the incumbent of the position of Truck Driver be included in such force reduction?

A.1 Force reduction is accomplished by abolishing jobs and the junior men in jobs of the same class are the first to be furloughed. Positions of Truck Driver constitute a separate work classification to which assignments are made but they are not placed in separate seniority groups. Therefore, a Truck Driver is subject to displacement by a senior, qualified employee of the same seniority class (i.e., either section laborer or B&B helper). However, if reduction in force takes place and a position of Truck Driver in a seniority district is not abolished, the employee who is regularly assigned to the position will be retained therein until displaced by a senior qualified employee, even though he is the junior man in that seniority district.

Q.2 If an employee assigned to a position of Truck Driver happens to be the senior man in the gang to which he is attached and call work is required under conditions where the track is not needed, will such Truck Driver be used for such call work on a gang seniority basis?

A.2 Gang seniority would prevail. If call work service requires the use of the truck, the incumbent of the assignment to that position will be used regardless of his gang seniority. If there be two or more assignments to positions of Truck Driver on the same seniority district, the senior available man will be called if a truck is required for the performance of call work.

SECTION VI

Assignment to Machine Operator Positions

(a) Positions of operators of Weed Mowers will be bulletined to and filled from the ranks of employees holding seniority in the Track. Subdepartment.

(b) Weed Sprayers will be protected by the senior qualified employee in the Track Department. In the event there are no qualified employees, other qualified Maintenance of Way forces will be used.

(c) Operators of track gang machines shall be selected from the ranks of section gang laborers on the gang involved.

RULE 11 FORCE REDUCTION

SECTION I

Notice of Force Reduction

(a). Force reduction shall not be made nor will positions be abolished until the employees affected have been given at least five (5) working days advance notice.

Notices of force reduction if given orally will be promptly confirmed in writing. When such notice applies to two (2) or more employees in a gang it may be posted at the headquarters where bulletin boards are maintained for such purposes. At the same time as notice is given, the officer making the reduction will list name, classification, seniority and location of employees retained in service on the individual's seniority district so that seniority may be exercised without unnecessary loss of time.

(b) Except as provided in paragraph (a) hereof, rules, agreements or practices, however established, that require advance notice to employees before temporarily abolishing positions or making temporary force reductions are hereby modified to eliminate any requirement for such notice under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire, or a labor dispute other than as defined in paragraph (a) hereof,

provided that such conditions result in suspension of a carriers operations in whole or in part. It is understood and agreed that such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by such an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four hours' pay at the applicable rate for his position. If an employee works any portion of the day he will be paid in accordance with existing rules.

(c) Gangs shall not be laid off for short periods when proper reduction of expenses can be accomplished by first laying off junior employees.

(d) When forces are reduced the senior qualified employees in each class and each subdepartment shall be retained.

SECTION II

Exercising Seniority

(a) An employee, when affected by force reduction, abolishment of position or displacement from position, may exercise seniority over employees on other seniority rosters in which he holds seniority.

(b) Employees whose positions are abolished or other employees affected as a result thereof may exercise their seniority Fights over junior employees on temporary positions or vacancies in preference to a regular assignment and at the conclusion of the temporary assignment they may exercise their seniority rights over junior employees on a regular position within ten (10) calendar days.

(c) In the application of the above, if, while an employee is working on a temporary assignment his regular assigned position is abolished or he is displaced there from by a senior employee, he will not be required to place himself on another regular assignment until the conclusion of temporary assignment.

(d) All displacements must be made within ten (10) calendar days from the date the employee loses his position, except that an employee losing his position while sick, on leave of absence or vacation shall be allowed ten (10) calendar days to exercise displacement following his return.

(e) Employees who do not exercise their seniority rights in accordance with the above or within the prescribed time limit will be considered as furloughed employees and will be governed by the provisions of Section III of this Rule and Rule 12.

Temporarily Absent

(i) If an employee becomes ill, is granted leave of absence or vacation immediately following the loss of his position and as a result is prevented from making physical displacement, such employee shall in writing notify the appropriate Company officer with copy to the Local Chairman and General Chairman of the Brotherhood within ten (10) calendar days from the date of loss of position his election as to displacement, and such declaration shall protect the employee against the ten (10) calendar day limit An employee holding a position designated as intended displacement by such absent employee shall not be considered as having lost his position until he is physically displaced.

Retaining Seniority in Higher Class

(j) An employee who exercises displacement rights in a lower class in accordance with the provisions of this rule shall retain and accumulate seniority rights in such higher class or classes. He must, however, avail himself

of every opportunity to return to service in such higher class or classes. Failure to return to service in a higher class when recalled, except in case of sickness, will result in loss of seniority in the class recalled.

SECTION III

Filing Address

(a). Employees cut off in force reduction desiring to avail themselves of the right to recall will file their name and address in writing within fifteen (15) calendar days from the date cut off in force reduction and keep Carrier advised of any address changes. This information shall be filed with the GWRR Manager of Human Resources with copy to General Chairman.

(b) Section laborers cut off in force reduction will be permitted, when they file their name and address as required by Rule 11(c), to advise that they are available for recall to service only to the section on which they last worked and/or to the sections adjoining that section without loss of seniority rights.

(c) Section laborers cut off in force reduction who do not restrict their recall to specific sections as set forth above will be recalled in seniority order as required by Rule 12 for all vacancies or new positions on their seniority district.

(d) A junior section Laborer who has restricted his recall rights to certain sections will not have preference to recall to those sections over senior employees who have not restricted their recall rights.

(e) Section laborers desiring to be recalled to work in accordance with Rule 12 after having restricted their recall to specific sections will be permitted to rescind these restrictions upon 48 hours written notice to the Manager of Maintenance of Way with copy to the General Chairman.

RULE 12 RECALL TO SERVICE

(a) When forces are increased or vacancies occur, including temporary vacancies of thirty (30) calendar days or more duration created by absence of a regularly assigned employee account sickness, leave of absence, etc., and assignments pending bulletin, applications then pending for transfer to the vacancy and/or employees who have been cut off in force reduction or forced to displace in a lower class will be recalled to service in seniority order.

(b) Off in force reduction employees recalled to service shall be notified of their recall in writing by telegram, registered or certified mail to the last known address and must report for service within fifteen (15) calendar days from date recalled. Failure to respond to recall within such fifteen (15) calendar day period will result in the forfeiture of all seniority rights.

(c) Positions may be filled temporarily by the senior available employee pending the return to service of the senior employee.

(d) Employees who are returned to service pending outcome of bulletin may express their desire for positions(s) by making bid application. If the employee recalled fails to make bid application, a junior employee may be assigned to the position. In the event no bid applications are received from junior employees, the employee recalled will be assigned to the position. If an employee other than the employee recalled is assigned to a position, the employee recalled to service may displace any junior employee in his seniority district called back on or after the date he was recalled. If there are no junior employees he can displace, he will return to a furloughed status.

RULE 13
STATUS AFTER RETURNING FROM VACATION, SICK LEAVE OR OTHER
AUTHORIZED LEAVE OF ABSENCE OR FORCE REDUCTION

An employee on vacation, sick leave or other authorized leave of absence, or force reduction may displace a junior employee from an assignment secured by bulletin that was posted and closed during the absence of the senior employee provided he does so within five (5) calendar days upon reporting back for service.

Employees so affected will exercise their seniority in the same manner.

In the event a junior employee has secured an assignment by bulletin that was posted and closed during the absence of the senior employee in a higher class in the same subdepartment and district as the senior employee, the senior employee may displace the junior employees, qualifications allowing, provided he does so within five (5) calendar days upon reporting back for service.

Employees so affected will exercise their seniority in accordance with the rules of the current agreement.

RULE 14
WORK WEEK

(a) There is established for all employees, a work week of forty (40) hours consisting of five (5) days of eight (8) hours each with rest days of Saturday and Sunday.

Rest Days of Extra or Furloughed Employees

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

Work on Unassigned Days

(c) Where work is required by the Company to be performed on a day which is not a part of any assignment it may be performed by an available extra or unassigned employee who will otherwise not have forty (40) hours of work that week, in all other cases by the regular employee.

RULE 15
HOURS OF SERVICE

Basic Day

(a) Except as provided in this Rule 15, eight (8) consecutive hours exclusive of meal period shall constitute a days work

Assignment Not Worked

(b) When less than eight (8) hours are worked for the convenience of the employees, or when due to inclement weather, interruptions occur to regular established working periods preventing eight (8) hours work being performed, only actual hours worked or held on duty will be paid for with a minimum of four (4) hours.

Not Reduced

(c) Regularly established daily working hours will not be reduced below eight (8) hours per day five (5) days per week, except in a week in which one of the designated holidays occur and then only by the number of hours of such holidays.

Continuous Operation

(d) When required by the nature of the work or shift arrangement, eight (8) consecutive hours without a meal period may be assigned in which case the employees will be allowed twenty (20) minutes in which to eat between the end of the third (3rd) hour and the beginning of the sixth (6th) hour of the assignment without deduction in pay.

RULE 16 HEADQUARTERS POINT

(a) For employees other than those employed in a type of service, the nature of which regularly requires them throughout their work week to live away from home in hotels or motels, the Company shall designate a headquarters point for each regular position and each regular assigned relief position. For employees other than those serving in regular positions or in regular assigned relief positions, the Company shall designate a headquarters point for each employee.

No designated headquarters point may be changed more frequently than once each sixty (60) days and only after at least fifteen (15) days' written notice to the employee affected.

(b) An assembly point shall be established and maintained for employees covered by this agreement. The assembly point shall be the same as the headquarters point

Traveling

(c) For employees assigned to a type of work, the nature of which regularly requires them throughout their work week to live away from home the assembly point shall be the hotel or motel location where lodging is obtained.

Employees covered under this subsection (c) who have lodging facilities one half (1/2) mile or more from a point where meals are available will be furnished transportation to and from such eating places. If such transportation is not provided and the employee uses his personal automobile or public transportation he shall be reimbursed therefore on a mileage or actual cost basis as provided in Rule 19 of this agreement

RULE 17 STARTING TIME

Assembly Point

(a) Employees' time shall start and end at designated assembly points as provided in Rule 16.

Notice of Change

(b) The starting time of the- regular work period for regularly assigned service will be designated by the supervisory officer and will not be changed without first giving the employees affected five (5) working days' advance written notice.

Shifts

(1) Where one shift is employed, the starting time shall be between the hours of 6:00 a.m. and 8:00 a.m.

(2) Where two shifts are employed, the starting time of the first shift shall be between the hours of 5:00 a.m. and 6:00 a.m. and the starting time of the second shift shall be between the hours of 1:00 p.m. and 4:00 pm.

(3) Where three shifts are employed, the starting time of each shall be regulated so that no shift shall start between 12:00 midnight and 4:00 a.m.

(4) When regular operations require working periods varying from those set forth above, hours of assignment will be designated by agreement between the Company and General Chairman, or his representative, to meet service requirements.

Lights

(c) Shifts assigned outside of daylight hours shall be furnished adequate lighting facilities.

RULE 18 MEAL PERIOD

(a) A meal period of not less than thirty (30) minutes or more than one (1) hour shall be allowed between the ending of the fourth (4th) hour and the beginning of the sixth (6th) hour after the start of the assignment, except that employees assigned eight (8) continuous hours as provided in subsection (d) of Rule 15 shall be allowed twenty (20) minutes for lunch without deduction in pay between the ending of the third (4th) hour and the beginning of the sixth (6th) hour after the start of the assignment. Such designated meal periods shall not be changed except by giving the employees affected thirty-six (36) hours advance notice.

If emergency conditions prevent the meal period being granted between the ending of the fourth (4th) hour and the beginning of the sixth (6th) hour the employees will be paid therefore at the time and one-half rate and be allowed sufficient time (not less than twenty (20) minutes) for the meal at the first opportunity without deduction in pay.

Subsequent Meal Period

(b) Employees required to render overtime service shall be afforded meal periods corresponding as nearly as possible to their normal meal periods with no more than six (6) hours of continuous service between meal periods, except where employees are returned to their home stations, headquarters points or outfit cars within three (3) hours after the assigned quitting time.

For the subsequent meal period(s), the Company will furnish meals at no cost to the employees or reimburse said employees for the reasonable cost thereof, provided, however, if any employee is called for overtime work at least one and one-half hours in advance of the time required to report, it shall be the employee's responsibility to carry a lunch or provide the first meal at no cost to the Company.

In the event a subsequent meal period is not afforded within the designated time limits and they are working at the time and one-half rate, the employee will be paid an additional hour's pay at the time and one half rate for each hour of service from that time until such time as they are accorded a meal period or until released. In the event they are working at the double time rate, the employees will be paid an additional one hour's pay at the pro rata rate for each hour of service from that time until such time as they are accorded a meal period or until released; there shall, however, be no compounding of penalty payments.

There shall be no deduction in pay or termination of continuous service account meal periods granted in accordance with this subsection (b).

RULE 19 OVERTIME AND CALLS

Computing

(a) Time worked preceding or following and continuous with a regularly assigned eight (8) hour work period shall be computed on actual minute basis and paid for at time and one-half rate, the regularly assigned eight (8) hour work period to be paid at straight time rate.

Time worked after sixteen (16) hours of continuous service shall be computed on the actual minute basis and paid for at the double time rate until employee is released for eight (8) consecutive hours time off duty. For purposes of computing sixteen (16) hours of continuous service, as referred to herein, actual time worked shall be counted from time on duty until relieved for eight (8) consecutive hours time off duty.

It is understood that nothing in this rule requires that the Company retain an employee on duty at punitive rate of pay.

New Employees

(b) In the application of this rule, the regularly assigned eight-hour work period of new employees temporarily brought into service in emergencies shall be considered as of the time they commenced work.

Inapplicable

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

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

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

Calls

(d) Employees notified or called to perform service in advance of or following and not continuous with regular work assignment, or on rest days and the following holidays, namely: New Year's Day, President's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas and New Year's Eve will be paid a minimum of two (2) hours forty (40) minutes at time and one-half rate for two (2) hours forty (40) minutes of service or less. If the service for which called extends beyond the minimum of two (2) hours forty (40) minutes, employees will be paid at the overtime rates as specified in subsection (a) of this rule until relieved for eight (8) consecutive hours time off duty. Employees who reside more than sixty (60) miles from their headquarter location may not be called for overtime that is expected to last

less than two (2) hours and forty (40) minutes, even though that work is within their assigned territory and classification.

However, if the employee, who is not called for overtime work which is expected to last less than two (2) hours and forty (40) minutes, is available for the work within their assigned territory and classification they will be compensated one (1) hour at the straight time rate of pay.

Senior employees in their respective classes and gangs will, if available, be called or used to perform overtime work.

Unavailable

(e) Employees who desire to leave their home station will, if instructed to do so due to anticipated emergency conditions, notify their supervisor that they will be away and the approximate length of time and, if possible, where they may be found.

Absorbing overtime

(f) Employees shall not be required to suspend work during any assigned work period for the purpose of absorbing overtime or to avoid holiday pay, and the Company shall not apply the assignment or displacement rules in such a manner as to deprive the employee of holiday pay.

Released

(g) When an employee is released from duty away from his assembly point, such release shall be at a point where meals and lodging are available.

RULE 20 TRAVEL TIME-TRANSPORTATION

Traveling from Headquarters Point

(a) Employees other than those covered by subsections (b) and (c) of this Rule 20 who are required by direction of the Company to leave their home station or headquarters point will be allowed actual time for traveling or waiting during regular working hours. All hours worked will be paid for in accordance with the practice at the home station or headquarters point. Travel and waiting time outside regular working hours and on rest days and holidays will be paid for at the pro rata rates.

If, during the time on the road, the employee is relieved from duty and is permitted to go to bed for six (6) or more hours, such relief time shall not be paid for provided that in no case shall he be paid for a total of less than eight (8) hours each calendar day when such irregular service prevents the employee from making his regular daily hours at his home station or headquarters point. If meals and lodging are not furnished by the Company actual necessary expenses shall be allowed.

Employees will not be allowed time while traveling in the exercise of seniority rights or between their homes and home stations or headquarters points or for other personal reasons.

Traveling-Performing Relief or Temporary Work

(b) Employees filling relief assignments or performing extra or temporary service, including those employees assigned to road work in accordance with subsection (c) of this rule, used to fill relief assignments or perform extra or temporary service, shall be compensated for travel and waiting time as follows:

(c) If the time consumed in actual travel, including waiting time en route from the headquarters point to the work location, together with necessary time spent waiting for the employee's shift to start, exceeds one (1) hour, or if on completion of his shift necessary time spent waiting for transportation plus the time of travel, including waiting time en route necessary to return to his headquarters point, or to the next work location, exceeds one (1) hour, then the excess over one (1) hour in each case shall be paid for as working time at the straight time rate of the job to which traveled. When employees are traveling by private automobile, time shall be computed at the rate of two (2) minutes per mile traveled.

Traveling-Road Assignments

(d) Employees who are employed in a type of service, the nature of which regularly requires them throughout their work week to live away from home in outfit cars, camps, highway trailers, hotels or motels, shall be compensated at the straight time rate for travel and waiting during the hours of their regular assignment and outside of such hours of assignment as follows:

Time spent in traveling from one work point to another outside of regularly assigned hours or on a rest day or holiday shall be paid for at the straight time rate.

Transportation from Headquarters Point

(e) An employee covered by subsections (a) or (b) of this rule required to be away from his home station or headquarters point shall be furnished with free transportation by the Company in traveling from his home station or headquarters point to another point, and return, or from one point to another. If such transportation is not furnished, he will be reimbursed for the cost of rail fare if he travels on other rail lines, or the cost of other public transportation used in making the trip, or if he has an automobile which he is willing to use and the Company authorizes him to use said automobile, he will be paid at the applicable rate in traveling from his home station or headquarters point to the work point, and return, or from one work point to another.

Transportation-Road Assignments

(f) An employee covered by subsection (c) of this Rule 20 who is not furnished means of transportation by the Company from one work point to another and who uses other forms of transportation for this purpose shall be reimbursed for the cost of such other transportation. If he uses his personal automobile for this purpose in the absence of transportation furnished by the Company he shall be reimbursed for such use of his automobile at the applicable rate. If an employee's work point is changed during his absence from the work point on a rest day or holiday, this subsection (e) shall apply to any mileage he is required to travel to the new work point in excess of that required to return to the former work point.

RULE 21 EXPENSES

Away from Headquarters

(a) Employees, other than those covered in subsection (b) of this Rule 21, sent away from their headquarters points to work elsewhere, either on or off their assigned territory, will be reimbursed for the cost of meals and lodging incurred while away from headquarters points.

This rule shall not apply to mid-day lunch customarily carried by the employee, nor to the evening meal if the employee is returned to his headquarters point within three (3) hours after the assigned quitting time.

Sick Leave or Temporary Assignments

(b) Employees filling relief assignments or performing extra or temporary service unable to return to their headquarters point or on any day shall be reimbursed for the actual reasonable cost of meals and lodging away from their headquarters point.

RULE 22 PHYSICAL EXAMINATIONS

(a) In the event an employee subject to this agreement is found to be disqualified as a result of an examination conducted under the Company's rules governing physical examinations feels that his physical condition does not justify removal from the service or restriction of his rights to service, such employee, upon request in writing by himself or an accredited representative of the Brotherhood, within sixty (60) days following notice of disqualification may be given further examination by a Board of Physicians as provided in this rule.

Further Examination

(b) The employee will be re-examined by a physician designated by the Company and a physician of the employees own choice who shall both be graduates of a school of regular medicine. If, after conferring, the two physicians agree that the employee is disqualified, their decision is final. If they agree the employee is qualified he will be returned to the service and paid for anytime lost.

Panel Examination

(c) If the two physicians fail to agree the employee's physician and the Company's physician will select a third physician. The neutral physician thus selected will examine the employee and render a report of his findings within a reasonable time, not exceeding fifteen (15) days after his selection, to the other two physicians setting forth the employee's physical condition and his conclusion as to whether the employee meets the requirements of the Company's rules governing physical examinations. The fifteen (15) day period may be extended through mutual agreement between the General Chairman and the Company's representative.

Expense of Examination

(d) The Company and the employee involved will each defray the expense of their respective physicians. The fee of the neutral physician and all other examination expenses shall be borne equally by the Company and the employee involved.

Return to Service

(e) If the majority of the board of Physicians conclude that the employee meets the requirements of the Company's rules governing physical examinations, he shall be permitted to return to the service from which removed.

If there is any questions as to whether there was any justification for restricting the employee's service or removing him from service at the time of his disqualification by the Company doctors, the original medical findings which disclose his condition at the time disqualified shall be furnished to the neutral doctor for his consideration and he shall specify whether or not in his opinion there was justification for the original disqualification. The opinion of the neutral doctor shall be accepted by both parties in settlement of this particular feature. If it is concluded that the disqualification was improper, the employee will be paid for any time lost resulting from such restrictions or removal from service incident to his disqualification.

Additional Examination

(f) Should the decision of the Board of Physicians be adverse to the employee and he later considers that his physical condition has improved sufficiently to justify considering his return to service, a reexamination will be arranged upon request of the employee or his representative but not earlier than ninety (90) days after the Board's decision. Should it be necessary to select a second Board of Physicians to resolve such a request for re-examination, and the decision of such second Board of Physicians is adverse to the employee, he will not be subject to any further re-examination for a period of twelve (12) months unless he can produce medical evidence of his physical condition having improved.

Disability and Retention of Seniority

(e) An employee retired under the disability provisions of the Railroad Retirement Act shall retain seniority until he attains the age of sixty-five (65) years but his assigned position shall be bulletined as a permanent position. Should he recover sufficiently to resume service prior to reaching the age sixty-five (65) years he shall be privileged to exercise his seniority rights as provided in Rule 11.

RULE 23 LEAVE OF ABSENCE

Length

(a) Leaves of absence will not be granted for more than ninety (90) days except in case of sickness to an immediate member of the employee's family, assigned committee work, or where serving in the Armed Forces. However, employees in the service of the Company five (5) years or more desiring leave of absence exceeding ninety (90) days may make request to the Manager of Maintenance of Way and General Chairman for extension not exceeding ninety (90) days for each leave, total not to exceed nine (9) months in any twelve (12) month period. Each individual case to be handled on its merits. Except where prevented by sickness to an immediate member of his family, employees failing to return or before the expiration of their leave of absence will lose their seniority rights.

Employees desiring to return from leave of absence before the expiration thereof will be permitted to do so upon forty-eight (48) hours written notice to the officer granting the leave.

Committee

(b) Committeemen representing employees covered by this agreement will upon request be granted leave of absence as promptly as possible.

Public Office

(c) An employee elected to a public office or appointed as an official of an agency of the Federal State or City government will be granted leave of absence for sufficient time to enable him to take care of such duties subject to approval of the GWRR Manager of Human Resources and the General Chairman.

Sickness or Disability

(d) Employees sick or physically disabled will not be required to obtain leave of absence. They may, however, be required periodically, either prior to and/or upon their return to service to furnish satisfactory evidence of such sickness or disability.

Writing

(e) Leaves of absence (except in cases of bona fide sickness) must be arranged and approved in writing. However, employees desiring to layoff for a period of not in excess of seven (7) calendar days may do so by verbal arrangement with their foreman or local officer.

Outside Employment

(f) Employees on leave of absence who engage in other employment will lose their seniority unless they have secured permission through the proper officials of the Company and General Chairman.

Military Service

(g) Pursuant to the provisions of the applicable Federal Statutes and/or the Universal Military Training and Service Act and amendments thereto, any employee who has established a seniority date and who enters the Armed forces of the United States on or after June 24, 1948 shall, upon completion of such service, be restored to service with the Company provided an application for re-employment is made to the Company within the period following discharge from the Armed Forces as provided by law.

RULE 24 ATTENDING COURT AND INVESTIGATIONS

Employees attending court, inquests, investigations or hearings as witnesses under instructions from the Company will be paid the equivalent of the regularly assigned hours at the pro rata rate for each calendar day so held. They will be furnished necessary transportation and allowed necessary travel and living expenses while away from home. Any fees or mileage accruing will be assigned to the Company.

RULE 25 INJURIES

Employees injured while on duty shall be given necessary medical attention as promptly as possible and they shall make written reports required by the company of the circumstances of the accident as soon as they are able to do so. Copy of such reports shall be furnished the employee upon request, in which event receipt thereof will be acknowledged in writing.

Employees shall not be withheld from work on account of declining to sign a release pending final settlement of personal injury claims.

RULE 26 DISCIPLINE

Hearing

(a) An employee who has been in the service more than sixty (60) calendar days shall not be disciplined or dismissed without being given a fair and impartial investigation, except as provided in Rule 6 of this agreement. He may, however, on proper authority be held out of service pending such investigation.

An investigation will not be necessary when an employee absents himself from his assignment, without permission, for ten working days or more. Such employee may be dropped at the end of ten working days and the General Chairman will be notified of such action and the reason therefore.

In cases where an employee has been unable to notify his supervisor that he would be unable to report for work because of personal illness or other justifiable cause, such employee may within thirty calendar days from the first day of his unauthorized absence make written request to the proper Carrier officer for a formal

investigation.

When an investigation is necessary it will be held as soon as possible, ordinarily within ten (10) calendar days but not to exceed thirty (30) calendar days from date of report. The accused employee shall be advised of the charges against him and shall have reasonable time to secure the presence of a representative of his choice and necessary witnesses.

A decision will be rendered within ten (10) calendar days from the date of the investigation. If not rendered within the ten (10) day period the employee, if held out of service, will be paid a minimum days pay for each day thereafter until a decision is rendered.

Representatives

(b) The right of an employee to be represented at the investigation by another employee covered by this agreement or by accredited representatives of the Brotherhood, but not otherwise is recognized. The right to interrogate witnesses shall be limited to only one representative. The right of appeal is limited to the claimant employee or an accredited representative of the Brotherhood

Furnished Transcript

(c) All decisions of the Company officers in cases of investigation or appeals for discipline or dismissal will be made in writing. A copy of transcript of investigation will be furnished any employee against whom discipline is assessed and his representative.

Unsustained Charges

(d) If the decision shall be in the employee's favor the employee shall be returned to service and compensated for wage loss, if any, suffered.

Waiver

(e) Nothing contained in this rule shall require the holding of the investigation where the violation is of such nature as to not warrant the suspension or discharge of the employee, provided such employee shall agree in writing to waive the investigation and accept lesser discipline and, provided further, that the execution of such waiver will not result in an over accumulation of demerits.

Requested Hearing

(f) An employee who feels he has been unjustly handled or mistreated shall be privileged to request a hearing which will be granted and conducted in accordance with the provisions of this rule. Such request shall be made by the employee or his representative and directed to the General Manager in writing and information pertinent to the reason for the request shall be made within twenty (20) calendar days from the date of the occurrence on which the hearing is sought.

Time Claims

(g) Time claims arising out of the application of this rule shall be initiated within sixty (60) calendar days from the date of the written decision and handled thereafter in accordance with Rule 27.

RULE 27
CLAIMS AND GRIEVANCES

Presented

(a) All claims or grievances must be presented in writing by or on behalf of the employee involved to the officer of the Company 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) calendar days from the date same is filed notify whoever filed the claim or grievance (the employee or his representative) in writing of the reasons for such disallowance. If not so notified the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Company as to other similar claims or grievances.

Appeal

(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 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-day period for either a decision or appeal up to and including the highest officer of the Company designated for that purpose.

Subsequent Appeals

(c) The requirements outlined in subsections (a) and (b) pertaining to appeal by the employee and decision by the Company 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 officers decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board, or a system, group or regional Board of Adjustment that has been agreed to by the parties hereto as provided in Section 3, Second of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the nine (9) months period herein referred to.

Continuing Violation

(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.

(e) 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

Rights of Representatives

(f) This rule recognizes the right of representatives of the Organization, party hereto, to file and prosecute claims and grievances for and on behalf of the employees covered by this agreement.

Does Not Apply to Leniency

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

**RULE 28
WATER AND ICE**

Water

(a) An adequate water supply in sanitary containers, suitable for domestic use shall be furnished to all employees.

Ice

(b) An adequate supply of ice for the cooling of drinking water and refrigeration of perishable foods shall be provided by the Company without cost to the employee.

**RULE 29
RATES OF PAY**

SECTION I

Revision of Rates of Pay Schedule

(a) The rates of pay of employees subject to this agreement shall be listed in a master wage schedule and made a part of this agreement (See Wage Appendix)

SECTION II

Service First 60-Day

Employees entering service on and after the effective date of this Article on positions covered by an agreement with the organization signatory hereto shall be paid as follows for all service performed within the first sixty (60) calendar days of service:

(a) For the first sixty (60) calendar days of employment, new employees shall be paid 75% of the applicable rates of pay.

**RULE 30
COMPOSITE SERVICE**

An employees temporarily assigned to a class of work paying a higher rate of pay will be paid the higher rate for the time so assigned. If temporarily assigned to a class of work carrying a lower rate, the employee's pay will not be reduced.

**RULE 31
COMMITTEES**

Representatives of the Brotherhood of Maintenance of Way Employees as designated by the General Chairman shall be recognized in the handling of all matters covered by this agreement.

RULE 32
RATIO OF B&B GANGS

Ratio

(a) Welding/Bridge and building or welding gangs should be composed as nearly as practicable of an equal number of their helpers.

RULE 33
FURNISHING TOOLS

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

RULE 34
SAFETY DEVICES

The Company shall furnish safety devices to properly protect employees where such safety devices are required, pursuant to, but not limited to, current company policy.

RULE 35
PAY PERIODS

Employees shall receive their pay checks at least semi-monthly. If employees are short in amount of one day's pay or more a time voucher will be issued upon request.

RULE 36
EMPLOYEE STABILIZATION

The provisions of the National Mediation Agreement (case A-7128) as amended, covering stabilization of employment, shall be applicable to the employees covered by this Agreement. (See Appendix "A")

RULE 37
HOLIDAY PAY

A. All employees covered by this Agreement shall receive eight (8) hours pay at their regular straight time rate for the following Holidays:

New Year's Day	Thanksgiving Day
President's Day	Day after Thanksgiving Day
Good Friday	Christmas Eve (the day before Christmas Day is observed)
Memorial Day	Christmas Day
Fourth of July	New Year's Eve (the day before New Year's Day is observed)
Labor Day	

B. An employee must receive compensation for work performed on the normal scheduled work day before and the normal scheduled work day after the holiday to be eligible for holiday pay.

C. Employees who are required to work or are held on duty on the holidays named in Paragraph A of this Article shall be paid at time and one – half times their regular straight time rate.

- D. Any holiday which falls on a Sunday shall be observed on the following Monday. Any holiday which falls on a Saturday shall be observed on the preceding Friday.
- E. If a holiday falls within an employee's vacation period, the holiday shall not be considered as a part of the vacation. The employee may take an additional day off.
- F. If because of a death in the immediate family or sickness substantiated by a doctor's excuse, an employee fails to report to work or is unavailable to work the day before or after a paid holiday, the employee will be paid for that holiday.
- G. The holiday list for each year will be published no later than December 1st of the preceding year.

RULE 38 VACATIONS

SEE APPENDIX "C"

Employees hired after the ratification of this agreement will fall under the GW1 vacation plan, the "GW plan". Jerry Hamaker and Wilfredo Tapia's vacation calculations and credits will remain grandfathered under the prior 2007 agreement. All other employees on the active BMWED roster hired after January 1, 1997 will fall under the GW1 vacation plan. Their vacation will be calculated and granted according to the GW1 vacation plan based on their hire date. This change will become effective starting January 1, 2011.

After 1 year's service: 13 days
After 5 years service: 16 days
After 10 years service: 19 days
After 15 years service: 21 days

At the beginning of each calendar year, all active full-time employees will be credited with vacation days for the prior year according to the above schedule. An employee with less than one year will accrue a prorated amount for the time worked as of the end of the calendar year in which the employee is hired. New employees are not eligible to take accrued vacation until a minimum of six month service is completed.

RULE 39 HEALTH AND WELFARE

Effective January 1, 2011 all employees will be covered exclusively under the Carrier Health and Welfare, Short Term Disability and Life Insurance Plan as follows:

- A. Employees will be covered by the Group Health Benefit Plan applicable to employees of the Utah Railway, Inc. (the "Plan"). A booklet outlining the coverage available will be provided to each employee covered by this agreement. Employees must first meet the qualifying criteria as described in the Plan before they can become eligible to receive benefits. Employees shall participate in the Carrier Health and Welfare plans under the same terms and conditions as other Carrier employees who are enrolled in the same plans. The Carrier will notify the organization of any updates, amendments or modifications to the plan and will if requested meet to discuss the updates, amendments or modifications with the Organization; however, nothing contained in this language is intended to limit the right of the Carrier to alter, modify, change or amend the plan, or plan design, at any time, so long as the change(s) also apply(ies) to all other Carrier employees who are enrolled in the same Plan.

B. Effective January 1, 2011 the following employee monthly contributions will be required to continue Health and Dental insurance coverage:

<u>Health</u>	<u>Dental</u>
Single: \$10.00	Single: \$2.50
Two Person: \$30.00	Two Person: \$7.50
Family: \$50.00	Family: \$7.50

The Contributions will be subject to adjustment on an annual basis in January of each year. Employee contributions shall be the same as required of other Carrier employees enrolled in the same plan subject to a maximum annual increase of 10%/year.

C. Should an Employee fail to qualify for coverage during a calendar month, he will be afforded the ability to continue coverage through COBRA under the Plan by paying the entire premium cost.

Short Term Disability

Effective January 1, 2011, short term disability (STD) benefits will be provided as follows: Employees who are unable to work due to a serious health condition or non-work related injury may be granted a salary continuation benefit for up to twelve weeks in a rolling year. Employees shall participate in the short term disability benefit subject to the same qualifications terms as the Carrier sponsored plan. The Carrier will notify the Organization of changes, alterations, amendments or modifications to the benefit plan prior to the effective date and at the Organization's request will discuss such changes with the designated Representative; however, nothing contained in this paragraph is intended to limit the right of the Carrier to alter, modify, change or amend the plan, or plan design, at any time, so long as the change(s) also apply(ies) to all other Carrier employees who are enrolled in the same Plan.

Life Insurance

Effective January 1, 2011, the Carrier will provide a life insurance benefit to each employee as follows: Basic Term Life \$20,000; Basic AD & D \$20,000. Employees shall participate in the life insurance benefit subject to the same qualifications and terms as the Carrier sponsored plan. The Carrier will notify the Organization of changes, alterations, amendments or modifications in the Life Insurance plan prior to the effective date and at the Organization's request will discuss such changes with the designated Representative; however, nothing contained in this Letter of Understanding is intended to limit the right of the Carrier to alter, modify, change or amend the plan, or plan design, at any time, so long as the change(s) also apply(ies) to all other Carrier employees who are enrolled in the same Plan.

RULE 40 125-a SAVINGS PROGRAM

Employees will be eligible to participate in the Carrier's pre-tax Flexible Spending Account Plan established under Section 125 of the Internal Revenue Code. The Plan allows participants to pay for health care premium expenses and certain dependent care and eligible health care expenses with pre-tax dollars deducted from the Employee's wages. Participation and enrollment requirements are as defined in the Plan, and eligible expenses to be covered on a pre-tax basis and maximum reimbursement amounts are as defined in Section 125 of the Internal Revenue Code.

RULE 41
401 (K) PLAN

Employees will be eligible to participate in the Carrier's 401(k) Plan within the meaning of Section 401 of the Internal Revenue Code.

- (a) The Carrier will continue for the benefit of Employee's a qualified 401(k) Plan within the meaning of Section 401 of the Internal Revenue Code.
- (b) Plan Administrator: Employee may participate in the Carrier 401k plan under the same terms and conditions as all other Carrier employees who are enrolled in the same plan. The Carrier will notify the Organization of changes, alterations, amendments or modifications in the 401k plan prior to the effective date and at the Organization's request will discuss such changes with the designated International Representative; however, nothing contained in this Collective Bargaining Agreement is intended to limit the right of the Carrier to alter, modify, change or amend the plan, or plan design, at any time, so long as the change(s) also apply(ies) to all other Carrier employees who are enrolled in the same Plan.

RULE 42
GENERAL WAGE INCREASES - RATES OF PAY

The rates in effect of January 1, 2011 will be increased by 2% effective April 1, 2011.

The rates in effect on March 31, 2012 will be increased by 2% effective April 1, 2012.

The rates in effect on March 31, 2013 will be increased by 2.5% effective April 1, 2013.

The rates in effect on March 31, 2014 will be increased by 3% effective April 1, 2014.

The Rates in effect on March 31, 2015 will be increased by 3% effective April 1, 2015.

It is agreed that any general wage increases in pay that are provided to other employees of Utah Railway that are greater than the above amounts listed in this contract will also be offered to employees represented by the BMWED. This will only apply to the term of this agreement and will not automatically renew with future agreements.

All increase will be effective the beginning of that first payroll period beginning after the contract payroll anniversary date of April 1.

RULE 43
PERSONAL LEAVE

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

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

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

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

(e) Personal leave days will be paid for at the regular rate of the employee's position.

(f) Personal leave days 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 rates 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 this agreement.

RULE 44 JURY DUTY

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

RULE 45 UNION SHOP

Section 1.

In accordance with and subject to the terms and conditions hereinafter set forth, all employees of this 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 he has performed compensated service on thirty days within a period of twelve consecutive calendar months. Nothing in this Agreement shall alter, enlarge, or otherwise change the coverage of the present or future rules and working conditions agreements.

Section 2.

This Agreement shall not apply to employees while occupying positions which are accepted 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.

() Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to fill 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 such service.

(b) The seniority status and rights of employees furloughed to service 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 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 assessment (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership. For purposes of this Agreement, dues, fees, and assessments shall be deemed to be 'uniformly required' if they are required of all employees in the same status at the same time in the same organizational unit.

Section 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 such carrier is advised to the contrary in writing by Registered or Certified Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this Agreement and who the organization therefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the individual railroad and the organizations involved and the form shall make provision for specifying the reasons for the allegation of noncompliance.

Upon receipt of such notice, the carrier will, within ten calendar days of such receipt, so notify the employee concerned in writing by Registered or Certified Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so

notified who disputes the fact that he has failed to comply with the terms of this Agreement, shall within a period often calendar days from the date of receipt of such notice, request the carrier in writing by Registered or Certified Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him a hearing. Upon receipt of such request the carrier shall set a date for hearing which shall be held within ten calendar days of the date of receipt of request thereof. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered or Certified Mail, Return Receipt Requested, or by personal delivery evidenced by receipt..

A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

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

(b) The carrier shall determine on the basis on 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 or Certified Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this Agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision except as herein-after 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 or Certified Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this Agreement. Such appeals must be received by such officer within ten calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered or Certified Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty calendar days of the date the notice of appeal is received, and the employee and the organization shall be promptly advised thereof in writing by Registered or Certified Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this Agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below, or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved requests the selection of a neutral person to decide the dispute as provided in Section 5(c) below. Any request for selection 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 or Certified Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this Agreement or his designated representative, the Chief Executive of the organization or his designated representative. 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 his appointment and shall be final and binding upon the parties. The carrier, the employee, and the organization shall be promptly advised thereof in writing by Registered or Certified Mail, Return Receipt Requested.

If the position of the employee is sustained, the fees, salary, and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary, and expenses shall be borne in equal shares by the carrier, the organization, and the employee.

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

(e) Provisions of investigation and discipline rules contained in the Rules and Working Conditions Agreement between a 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 notice is received or decision rendered shall not be counted.

Section 6.

Other provisions of this Agreement to the contrary notwithstanding, the Carrier shall not be required to terminate the employment of an employee until such time as 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 in 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, his continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or noncompliance 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 involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in which case such carrier acts in collusion with any employee; Provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this Agreement. The Union agrees to hold the Carrier harmless for any action that the Carrier undertakes in accordance with the Union's written direction under the terms of Rule 45 of this contract.

Section 9.

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

Section 10.

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

(b) The provisions of subsection (2) 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 amount withheld, and any other matters pertinent thereto.

**RULE 46
DUES CHECK-OFF**

Section 1.

Subject to terms and conditions hereinafter set forth the Company will deduct from the wages of employees initiation fees and assessments (excluding fines and penalties) whenever applicable and monthly union dues commencing with the receipt of the "Wage Deduction Authorization" furnished by the Brotherhood, all of which may be uniformly required as a condition of the employees acquiring or retaining membership in the Brotherhood, and upon their written and unrevoked individual authorizations.

The officer of the Brotherhood designated by the General Chairman will notify the Company in writing or the designated representative of the Company of any special assessments or changes in amounts of fees or dues, such notice to be in the hands of the designated Company representative not less than thirty (30) days prior to the beginning of the payroll period in which such deduction is to be effective.

Section 2.

Each individual employee subject to the agreement with the Brotherhood who desires such payroll deduction will fill out and sign two (2) copies of the "Wage Deduction Authorization" which will be furnished by the Brotherhood, and shall mail the original to the Company's designated representative and the duplicate copy to the General Chairman of the Brotherhood.

Section 3.

(a) Individual authorization to be effective for a particular month must be in the possession of the Company's designated representative not later than the beginning of the payroll period from which such deduction is to be made, which will be for dues of the member for the second month following the month in which the deduction is made.

(b) The designated officer of the Brotherhood shall furnish to the Company an initial statement in duplicate, certified by him, showing payroll number (to be secured from employing officer), employees' names in alphabetical order, social security account number between the 10th and 15 day of the month in which the deductions become effective. Subsequent monthly deductions will be based on the initial statement, plus a monthly statement showing additions and deletions to be furnished in the same manner as the initial statement required hereby.

Section 4.

Said deductions made in accordance with the provisions hereof shall be remitted to the General Chairman promptly, accompanied by a list showing the names of employees for whom deductions were made, the amount of the deductions and the total amount of money deducted. Said deductions will be made only from wages earned in the second payroll period of each calendar month. If earnings of the employees are insufficient in the second payroll period to permit the full amount of the Brotherhood's deduction, no deduction will be made for that month. In the event of any excess or shortage in said deductions for an individual employee, they will be adjusted by the Brotherhood and the individual employee. No deductions will be made from other than the regular second period payrolls of each calendar month.

Section 5.

The following payroll deductions shall have priority over deductions for union dues as covered by this Agreement:

() Federal, state and municipal taxes and/or other deductions required by law or court orders.

(b) Insurance premiums and medical association dues.

(c) Amounts due Company.

Section 6.

Responsibility of the Company under this Agreement shall be limited to the amount actually deducted from wages of employees pursuant to this Agreement and the Company shall not be responsible financially or otherwise for failure to make deduction or for the improper or inaccurate deductions. Any questions arising as to the correctness of the amount deducted shall be handled between the employee involved and the Brotherhood.

Section 7.

Except for remitting to the Organization monies properly deductible from the wages of employee-members, as provided for herein, the organization shall indemnify, defend and save harmless the Carrier from and against any and all claims, demands, liability, losses or damage resulting from the entering into of this Agreement or arising or growing out of any dispute or litigation resulting from any deductions made by the Carrier from the wages of its employees for or on behalf of the Organization; provided, however, that this provision shall not apply to any case in which the Carrier is the plaintiff or the moving party in the action. The Union agrees to hold the Carrier harmless for any action that the Carrier undertakes in accordance with the Union's written direction under the terms of Rule 46 of this contract.

Section 8.

In the event of a change in representation of employees now represented by the Brotherhood, this Agreement shall be automatically terminated as to the employees involved as of the date official notification is received from the National Mediation Board of such change in representation.

Section 9.

This Agreement shall not be effective with respect to any individual employee until the Company has been furnished with a proper written assignment to the Brotherhood of such membership dues, initiation fees and assessments, which assignment shall be revocable in writing at any time, or upon the termination of the Union Shop Agreement, or of this Agreement.

Section 10.

If and when the Union Shop Agreement shall become unlawful or invalid, this Memorandum Agreement shall be considered automatically cancelled.

**RULE 47
BEREAVEMENT LEAVE**

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

**RULE 48
POLITICAL CONTRIBUTIONS**

In accordance with the provisions of the Voluntary Payroll Deduction of Political Contributions Agreement signed August 31, 1979, between carriers represented by the National Railway Labor Conference and the employees of said carriers represented by the Brotherhood of Maintenance of Way Employees, the parties hereby amend the Dues Deduction Agreement of October 5, 1979 as amended, to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and bases:

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

(b) Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following the month in which the authorization is received. Such authorization will remain in effect for a minimum of twelve (12) months and thereafter until cancelled by thirty (30) days advance written notice from the employee to the Brotherhood and the carrier by Registered Mail. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the dues deduction agreement.

(c) The General Chairman or his designated representative shall furnish the carrier, with copy to 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.

(d) Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employee's paycheck.

(e) Concurrent with making remittance to the Organization of monthly membership dues, the carrier will make separate remittance of voluntary political contributions to the, BMWBD/DRIVB Department International Brotherhood of Teamsters 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.

(f) The requirements of this agreement shall not be effective with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

**RULE 49
SUB-CONTRACTING**

Section 1.

(a) In the event the 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.

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

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

Section 2.

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

(b) The parties jointly reaffirm the intent 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 on subcontracting, the advance notice shall identify the work to be contracted and the reasons thereof.

RULE 50 EMPLOYEE INFORMATION

The Carrier will provide the General Chairman with a list of employees who are hired or terminated, their home addresses, and the employees' identification numbers. This information will be limited to the employees covered by this agreement. The data will be supplied within 30 days after the month in which the employee is hired or terminated.

RULE 51 WORD USAGE

The use of gender-specific terminology such as "him", "her", "he", "she" applies to either gender and is in no way intended to refer to a specific gender. Usage of this terminology in this Agreement is solely for grammatical clarity.

RULE 52 RULE CAPTIONS

The captions appearing on Rules and Subsections in this agreement are for identification purposes only and are not a part of the agreement itself.

RULE 53 PRINTING AND FURNISHING AGREEMENT

This agreement of Working Conditions and Rates of Pay shall be printed by the Company and any employee affected thereby shall be provided with a copy upon request.

RULE 54
SAVING CLAUSE

The parties to this Agreement commit their mutual intent that the Agreement reflects the full understanding between them and that it be complete and accurate with regard to all matters to which they have agreed. The parties further commit, therefore, that should any inadvertent errors or omissions be brought to the attention of one party by the other, on matters to which they have agreed, the parties will meet promptly to correct those errors.

RULE 55
NEW ETHICS POLICY

The Organization recognizes that the carrier retains the right to operate and manage the business, and to make any and all decisions affecting the business.

To establish and post reasonable rules of conduct including a Code of Ethics which shall be reviewed and acknowledged by all employees covered by this agreement on an annual basis as long as the Code applies to all other Carrier employees and is not in conflict with the terms of the Collective Bargaining Agreement.

To establish, continue, modify or amend policies and procedures for the conduct of the business.

The enumeration of management rights and prerogatives contained herein, is not intended to affect the specific provisions of this Agreement.

RULE 56
DATE EFFECTIVE-CHANGES

This agreement, including Supplements and Appendices contained herein, shall become effective as of December 16th, 2010 and is intended to be and is the full agreement of the parties and superseding any prior agreements, and shall remain in effect until changed with the provisions of the Railway Labor Act as amended

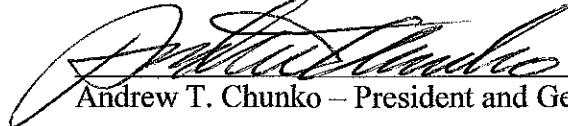
Should either of the parties desire to revise or modify these rules, thirty (30) calendar days advance written notice containing the proposed changes shall be given and conferences shall be held before the expiration of said thirty (30) days.

Signed at Provo, Utah.

Accepted for:

12/16/10
Date

UTAH RAILWAY COMPANY


Andrew T. Chunko – President and General Mgr

Accepted for:

BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES


12/16/2010
Date


Charlie M. Morgan – BMWED General Chairman

Approved

12-16-10

Date

A handwritten signature in black ink, appearing to read "David D. Tanner", written over a horizontal line.

David D. Tanner – BMWED – Vice President

WAGE APPENDIX

Wages in Effect on January 1, 2011
B&B Subdepartment

Occupation

Bridge & Bldg. Foreman	\$22.93
Helpers	\$20.89

Track Subdepartment

Section Foreman (Martin)	\$22.58
Section Foreman (Provo)	\$21.25
Section Foreman (Midvale)	\$21.91
Assistant Foreman	\$21.02
Track Patrolman	\$20.89
Section Laborers	\$20.22
Truck Driver	\$20.89

Machine Operators

Work Equipment Operator	\$22.91
-------------------------	---------

ATTACHMENT "A"

WAGE ASSIGNMENT AUTHORIZATION
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

TO THE UTAH RAILWAY COMPANY:

I hereby assign to the Brotherhood of Maintenance of Way Employees that part of my wages necessary to pay my monthly union dues, initiation fees and assessments (not including fines and penalties) as reported to the Utah Railway Company by the _____ of the Brotherhood of Maintenance of Way Employees in monthly statements (Designated Officer) certified by him as provided in the Dues Deduction Agreement entered into between the Utah Railway Company and its employees represented by the Brotherhood of Maintenance of Way Employees effective July 11, 2007, and I hereby authorize the Utah Railway Company to deduct from my wages all such sums and remit them to the (General Chairman) of the Brotherhood of Maintenance of Way Employees in accordance with the said Dues Deduction Agreement as revised. The first and/or initial deduction may include initiation fees and assessments of a general nature and up to four (4) months' union dues, if necessary, and thereafter a deduction for only one (1) month's dues is authorized, excepting assessments, whenever applicable. This authorization may be revoked in writing by the undersigned at any time after the expiration of one year from the date of its execution, or upon the termination of said Dues Deduction Agreement or upon the termination of the Rules and Working Conditions Agreement between Utah Railway Company and the Brotherhood of Maintenance of Way Employees whichever occurs sooner.

(Please Print)

NAME (Last) (First) (Middle Initial)

Payroll No. _____

Lodge No. Location

(Date)

(Signature)

Case No. A-7 128

MEDIATION AGREEMENT

This agreement made this 7th day of February, 1965, by and between the participating carriers listed in Exhibits A, B and C, attached hereto and hereby made a part hereof, and represented by the National Railway Labor Conference and the Eastern, Western and Southeastern Carriers' Conference Committees and the employees shown thereon and represented by the Railway Labor Organizations signatory hereto, through the Employees' National Conference Committee, Five Cooperating Railway Labor Organizations, witnesseth:

IT IS AGREED:**ARTICLE I - PROTECTED EMPLOYEES**Section 1

All employees, other than seasonal employees, who were 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 hereinafter 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% 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 percent for each one percent the said decline exceeds 5%. The average percentage of decline shall be the total of the percent of decline in gross operating revenue and percent of decline in net revenue ton miles divided by 2.

Advance notice of any such force reduction shall be given as required by the current Schedule Agreements of the organizations signatory hereto.

Upon restoration of a carrier's business following any such force reduction, employees entitled to preservation of employment must be recalled in accordance with the same formula Within 15 calendar days.

Section 4

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

Section 5

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

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

Section 1

An employee shall cease to be a protected employee in case of his resignation, death, retirement, dismissal for cause in accordance with existing agreements, or failure to retain or obtain a position available to him in the exercise of his 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, he will be restored to the status of a protected employee as of the date of his reinstatement.

Section 2

An employee shall cease to be a protected employee in the event of his failure to accept employment in his craft offered to him 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, he 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 here to 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 5 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 maybe affected thereby.

ARTICLE IV - COMPENSATION DUE PROTECTED EMPLOYEE

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 general 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 his compensation, his total compensation and total time paid for during the base period will be separately divided by twelve, if his compensation in his current employment is less in any month (commencing with the first month following the date of this agreement) than his average base period compensation (adjusted to include subsequent general wage increases), he shall be paid the difference less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average time paid for during the base period, but he 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 his current employment the employee shall be treated as occupying the position producing the highest rate of pay and compensation to which his seniority entitles him under the working agreement and which does not require a change in residence.

Section 3

Any protected employee who in the normal exercise of his seniority bids in a Job or is bumped as a result of such an employee exercising his seniority in the normal way by reason of a voluntary action, will not be entitled to have his compensation preserved as provided in Sections 1 and 2 hereof, but will be compensated at the rate of pay and conditions of the job he bids in; provided, however, if he is required to make a move or bid in a position under the terms of an implementing agreement made pursuant to Article IV hereof, he 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 his seniority rights to secure another available position, which does not require a change in residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position he elects to retain, he shall thereafter be treated for the purposes of this Article as occupying the position which he elects to decline.

Section 5

A protected employee shall not be entitled to the benefits of this Article during any period in which he 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 he 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 or 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 him to move his 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 of 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 he 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 he may have been entitled under the Protective Agreement and Washington Agreement) a lump sum separation allowance which shall be computed in accordance with the schedule set forth in Section 9 of the Washington Agreement; provided, however, that force reductions permitted to be made under this Agreement shall be in addition to the number of employees who resign to accept the separation allowance herein provided.

Those protected employees who do not have 15 years or more of employment relationship with the carrier and who are required to change their place of residence shall be entitled to the benefits contained in Sections 10 and 11 of the Washington Agreement notwithstanding anything to the contrary contained in such provisions and in addition to such benefits shall receive a transfer allowance of four hundred dollars (\$400) and 5 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 thereof.

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 Carriers' 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 5 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 5 days) but in any event within 5 days of the date such meeting is closed, provided that the partisan member 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 question 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 his 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 equally 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.

SIGNATURES NOT REPRODUCED

AGREEMENT

WHEREAS, Article XII, Part A of the Mediation Agreement Case No. A-12718, (Sub 1, Sub 1A, Sub 2, Sub 3, Sub 4, Sub 5, Sub 6, Sub 7, and Sub 8), dated September 26, 1976 (September 26, 1996 Agreement), between employees represented by the Brotherhood of Maintenance of Way Employees (BMW or "the Union") and certain carriers represented by the National Carrier's Conference Committee (ANCCC) makes certain amendments to the Mediation Agreement, Case A-i 128, dated February 7, 1965 ("February 7, 1965 Agreement"), and

WHEREAS, the carriers covered by Article XII, Part A, which are represented by the NCCC ("Covered Carriers" or "Carrier"), and the BMW have concluded that the Disputes Committee procedures contained in Article VII of the February 7, 1965 Agreement should be revised, it is hereby

AGREED, that, the following procedures will supersede the dispute resolution procedures set forth in and established under Article VII of the February 7, 1965 Agreement as regards any dispute between BMW and the Covered Carriers arising under the February 7, 1965 Agreement, as amended.

I. Handling of Claims

- A. Each Carrier shall designate an officer or officers to receive initial claims arising under either the February 7, 1965 Agreement or the Washington Job Protection Agreement of 1936. The Carrier shall notify the Union in writing of the names and addresses of such designated officer or officers. All claims under the provisions of these Agreements shall be presented to the designated officer by the employee or his designated representative within sixty (60) days following the end of the calendar month in which the claim arose. The claim shall be barred if not presented within such period. The designated officer who received the claim shall deny or allow it within sixty (60) days from the date of the receipt. Any denial must be in writing and state the reasons for denial of the claim. If the designated officer fails to respond to the claim within the time provided, the claim shall be allowed as presented, but this shall not be considered as precedent or waiver of the contentions of the Carrier as to other similar claims.
- B. An appeal (including a request for conference) to the Carrier's highest designated officer to hear such claims may be taken by either the employee or his designated representative anytime up to sixty (60) days after the date of the claim's denial. A failure of the employee or his designated representative to make such an appeal shall close the matter, but this shall not be considered as a precedent or waiver of the contentions of the employee or his designated representative as to other similar claims or grievances.
- C. The parties shall confer regarding the appeal within thirty (30) days following the highest designated officer's receipt of the appeal and such officer shall respond, in writing, to the appeal within sixty (60) days following the date of the appeal conference. If the highest designated officer fails to respond to the appeal within the time provided, the claim shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Carrier as to other similar claims.
- D. Any appeal denied by the Carrier's highest designated officer may be listed for resolution by the Special Board of Adjustment established in Article II, below. Any such appeal shall be taken within three (3) months of the date of the Carrier's denial of the appeal. A party's failure to list any appeal within the time limits specified in this section shall close that specific claim; however, failure to proceed to arbitration shall not be considered as a precedent or waiver of the contentions of the party as to other similar claims.

II Arbitration Committee

- A. There shall be established a Special Board of Adjustment, in accordance with Section 3, Second of the Railway Labor Act, which shall be known as Special Board of Adjustment No. 1087, hereinafter referred to as the Board. This Board shall have jurisdiction to hear disputes arising under the Agreement of February 7, 1965 in Mediation Case No. 7218, as amended, and the WJPA. The Board shall not have the authority to add contractual terms or to change existing agreements governing rates of pay, rules, and working conditions.
- B. The Board shall consist of five members. Two members shall be selected by the Covered Carriers and shall be known as the "Carrier Members". Two members shall be selected by the BMWWE and shall be known as the "Union Members". The third member, who shall be Chairman of the Board, shall be a neutral person, unbiased as between the parties. The Carrier Members and the Union Members may be changed at any time by the respective parties designating them upon notice to the other party.
- C. The Carrier and Union Members shall confer within five days after the date of this Agreement for the purpose of selecting the Neutral Member of the Board. If the party members agree upon the Neutral Member and the person so agreed upon accepts appointment, then such person shall serve as Chairman of the Board. If, within five (5) days after such first conference, the party members fail to agree upon the Neutral Member, either party may request the National Mediation Board (ANMB@) to provide a list of seven (7) potential arbitrators from which the parties shall choose the Neutral Member by alternately striking names from the list, which first strike to be allocated to a party by a coin toss. Neither party shall oppose or make any objection to the NMB concerning a request for such a panel nor shall they do anything to delay the striking process.
- D. The Neutral Member initially chosen shall sit for a term of one year and that member's term may be renewed in one year increments by agreement of the parties. Should the parties desire to change the Neutral Member, the procedures set forth in Section C, above shall be followed and the newly chosen Neutral Member shall sit for a term o. one year and his or her term may be renewed in one year increments by agreement of the parties.
- E. The compensation and expenses for the Carrier Members shall be borne by the Carriers. The compensation and expenses of the Union members shall be borne by the BMWWE. The compensation and expenses of the Neutral Member and all other expenses shall be borne half by the Carriers and half by the BMWWE

III Arbitration Procedures

- A. The employee or his designated representative may list a dispute for resolution before the Board by filing with the Carrier Members and the Chairman a notice of intent to submit an ex parte submission on the matter. The notice of intent must be filed within the time limits set forth in Article I D, above. The parties must exchange their submissions within sixty (60) days following the filing of the notice of intent.
- B. The Board, upon its own motion, may accept and consider evidence relevant to the dispute not part of the handling of the dispute on the Carrier's property.
- C. The Board shall conduct bearing whenever five (5) disputes have been listed or whenever six (6) months has elapsed since the last hearing and at least one dispute between the parties has been. listed, whichever occurs first. Oral hearings are required on every dispute unless waived by the moving party. Parties to a hearing may be represented by counsel.

- D. The Board shall issue a written award in the case submitted to it within thirty (30) days following the close of the hearing. Any three members of the Board shall be competent to render an award. Copies of the award shall be furnished to the parties of the dispute.
- E. The Board shall have jurisdiction to render an interpretation of any award issued by it, provided that, any request for an interpretation must be filed, in writing, with the Board within ninety (90) days following the date of the award.
- F. Awards by the Board shall be final and binding, subject to judicial enforcement or review under the provisions of Section 3 First (p) and (q), of the Railway Labor Act.

Signed this 25th day of October, 1996.

SIGNATURES NOT REPRODUCED

APPENDIX "B"

NATIONAL HOLIDAY AGREEMENT SYNTHESIS

The following represents a synthesis in one document, for the convenience of the parties, of the current Holiday provisions of the National Agreement of August 21, 1954, and amendments thereto provided in subsequent National Agreements.

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

Section 1.

Subject to the qualifying requirements contained in Section 3 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	Thanksgiving Day
Washington's Birthday	Day after Thanksgiving
Good Friday	Christmas Eve Day
Memorial Day	Christmas Day
Fourth of July	New Year's Eve Day
Labor Day	

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

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

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

(d) The provisions of this Section and Section 3 hereof applicable to other than regularly assigned employees are not intended to abrogate or supersede more favorable rules and practices existing on certain carriers under which other than regularly assigned employees are being granted paid holidays.

NOTE: 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.

Section 2.

(a) Monthly rates, the hourly rates of which are predicated upon 169-113 hours, shall be adjusted by adding the equivalent of 56 pro rata hours to the annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. The hourly factor will thereafter be 174 and overtime rates will be computed accordingly.

Weekly rates that do not include holiday compensation shall receive a corresponding adjustment.

(b) All other monthly rates of pay shall be adjusted by adding the equivalent of 28 pro rata hours to the annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. The sum of presently existing hours per annum plus 28 divided by 12 will establish a new hourly factor and overtime rates will be computed accordingly.

Weekly rates not included in Section 2(a) shall receive a corresponding adjustment.

Effective January 1, 1973, the monthly rates of monthly rated employees shall be adjusted by adding the equivalent of 8 pro rata hours to their annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate.

Effective January 1, 1976, after application of the cost-of-living adjustment effective that date, the monthly rates of monthly rated employees shall be adjusted by adding the equivalent of 8 pro rata hours' pay to their annual compensation (the rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. That portion of such 8 pro rata hours' pay which derives from the cost-of-living allowance will not become part of basic rates of pay except as provided in Article U, Section 1(d) of the Agreement of January 29, 1975. The sum of presently existing hours per annum plus 8, divided by 12, will establish a new hourly factor for purposes of applying cents-per-hour adjustments in such monthly rates of pay and computing overtime rates.

The hourly factor as shown in Section 2(a) above, was as a result of the addition of the birthday holiday increased, effective January 1, 1965, to 174-213; as a result of the addition of Veterans' Day as a holiday, effective January 1, 1973, increased to 175-113; and as a result of the addition of Christmas Eve as a holiday, effective January 1, 1976, increased to 176.

Section 3

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

If the holiday falls on the first workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

Except as provided in the following paragraph, all others for whom holiday pay is provided in Section 1 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:

- (f) Compensation for service paid by the carrier is credited; or
- (g) (ii) Such employee is available for service.

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

For the purposes of Section 1, 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.

An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day if on the "workday" or the "day" as the case may be, immediately preceding the Christmas Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or the "day," as the case may be, immediately following the Christmas Day holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally.

Section 4

Provisions in existing agreements with respect to holidays in excess of the eleven (11) holidays referred to in Section 1 hereof shall continue to be applied without change.

Section 5

(a) Existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are extended to apply to Good Friday, to Veterans Day and to Christmas Eve in the same manner as to other holidays listed or referred to therein.

(b) All rules, regulations, or practices which provided 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 his holiday, are hereby eliminated.

(c) Under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half payment for service performed by him on a holiday which is also a work day, a rest, and/or a vacation day.

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

(d) Except as provided in this Section 5, existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are not changed hereby.

Section 6.

Article II, Section 6 of the Agreement of August 21, 1954, which was added by the Agreement of November 20, 1964, is eliminated. However, the adjustment in monthly rates of monthly rated employees which was made effective January 1, 1965, pursuant to Article II of the Agreement of November 20, 1964, by adding the equivalent of 8 pro rata hours to their annual compensation (the monthly rate multiplied by 12) and dividing this sum by 12 in order to establish a new monthly rate, continues in effect.

Section 7.

When any of the eleven recognized holidays enumerated in Section 1 of this Article II, 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 such holidays, falls during an hourly or daily rated employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for therein, provided he meets the qualification requirements specified. The workdays and days" immediately preceding and following the vacation period shall be considered the "workdays" and "days preceding and following the holiday for such qualification purposes.

APPENDIX "C"

NATIONAL VACATION AGREEMENT SYNTHESIS

The following represents a synthesis in one document, for the convenience of the parties, of the current provisions of the December 17, 1941 National Vacation Agreement and amendments thereto provided in subsequent National Agreements.

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

Section 1.

(a) Effective with the calendar year 1973, an annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

(b) Effective with the calendar year 1973, an annual vacation of ten (10) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who, during such period of continuous service renders compensated service on not less than one hundred ten (110) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of two (2) such years, not necessarily consecutive.

(c) Effective with the calendar year 1982, an annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has eight (8) or more years of continuous service and who, during such period of continuous service renders compensated service on not less

than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of eight (8) of such years, not necessarily consecutive.

(d) Effective with the calendar year 1982, an annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has seventeen (17) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of seventeen (17) of such years, not necessarily consecutive.

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

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

(g) Service rendered under agreements between a carrier and one or more of the Non-Operating Organizations parties to the General Agreement of August 21, 1954, or to the General Agreement of August 19, 1960, shall be counted in computing days of compensated service and years of continuous service for vacation qualifying purposes under this Agreement.

(h) Calendar days in each current qualifying year on which an employee renders no service because of his own sickness or because of his own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days for an employee with less than three (3) years of service; a maximum of twenty (20) such days for an employee with three (3) but less than fifteen (15) years of service; and maximum of thirty (30) such days for an employee with fifteen (15) years or more years of service with the employing carrier.

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

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

(k) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as

amended, and in the calendar year of his return to railroad service renders compensated service on fewer days than are required to qualify for a vacation in the following calendar year, but could qualify for a vacation in such following calendar year if he had combined for qualifying purposes days on which he was in railroad service in the year of his return with days in such year on which he was in the Armed Forces, he will be granted, in such following calendar year, a vacation of such length as he so qualifies for under paragraphs (a), (b), (c), (d) or (e) and (i) hereof.

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

Section 2.

(Not reproduced here as it has no application to employees represented by the Brotherhood of Maintenance of Way Employees).

Section 3.

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

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

Section 4.

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

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

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

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

Section 5.

Each employee who is entitled to vacation shall take same at the time assigned, and, while it is intended that the vacation date designated will be adhered to so far as practicable, the management shall have the right to

defer same provided the employee so affected is given as much advance notice as possible; not less than ten (10) days' notice shall be given except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty (30) days' notice will be given affected employee.

If a carrier finds that it cannot release an employee for a vacation during the calendar year because of the requirements of the service, then such employee shall be paid in lieu of the vacation the allowance hereinafter provided.

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

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

Section 6.

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

Section 7.

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

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

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

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

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

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

Section 8.

The vacation provided for in this Agreement shall be considered to have been earned when the employee has qualified under Article 1 hereof. If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, or noncompliance with a union-shop agreement, or failure to return after furlough he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year or years

and not yet granted, and the vacation for the succeeding year if the employee has qualified thereof under Article 1. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

Section 9.

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

Section 10.

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

(b) Where work of vacationing employees is distributed among two or more employees, such employees will be paid their own respective rates. However, not more than the equivalent of twenty-five 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 his own normal compensation for the hours of his own assignment because of vacations to other employees.

Section 11.

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

Section 12.

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

Section 13.

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

Section 14.

Any dispute or controversy arising out of the interpretation or application of any of the provisions of this Agreement shall be referred for decision to a committee, the carrier members of which shall be the Carrier's 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.

Section 15.

Except as otherwise provided herein, this Agreement shall be effective as of January 1, 1973, and shall be incorporated in existing agreements as a supplement thereto and shall be in full force and effect for a period of one (1) year from January 1, 1973, and continue in effect thereafter, subject to not less than seven (7) months' notice in writing (which notice may be served in 1973 or in any subsequent year) by any carrier or organization party 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 as made by the parties, 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 D

MEDIATION AGREEMENT OF OCTOBER 7 1959

This Agreement made this 7th day of October, 1959, by and between the participating carriers listed in exhibits A, B, and C, attached hereto and made a part hereof; and represented by the Eastern, Western, and Southeastern Carriers' conference Committees, and the employees of such carriers shown thereon and

represented by the Brotherhood of Maintenance of Way Employees

WITNESSETH:

IT IS AGREED;

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 in event not less than fifteen (15) days prior to such effectuation. If the General Chairman or his representative is available prior to the date set for effectuation of the change, the representative of the carrier and the General Chairman or his representative shall meet for the purpose of discussing the manner in which and the extent to which employees represented by the organization may be affected by such change, the application of existing rules such as seniority rules, placement and displacement rules and other pertinent rules, with a view to avoiding grievances arising out of the terms of the existing collective agreement and minimizing adverse 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 his 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 wage schedule shall be furnished to the General Chairman for his verification. The wage schedule shall constitute a part of the rates of pay, rules, and working conditions agreement between the parties, but may be physically bound with the general working conditions agreement or reproduced as a document under separate cover. This rule does not require that multiple positions of the same classification and carrying the same rate of pay need be individually listed, but the listing shall be in whatever detail is necessary to enable the ascertainment from the schedule of the rate of pay for each position of employees referred to herein.

(b) 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.

(c) 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 his representative for the purpose of mutually agreeing upon a rate which will be satisfactory to both parties. In the event of failure to reach a mutual agreement on the subject, it will be submitted to arbitration in accordance with paragraph (c) of this 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 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.

ARTICLE IV - FORCE REDUCTIONS

Not less than ninety-six (96) hours' notice will be given to regularly assigned employees, not including casual employees or employees who are substituting for regularly assigned employees, who are subject to the rules of

the existing collective agreement whose positions are to be abolished before such reductions in force are made, except as provided in Article VI of the Agreement of August 21, 1954.

ARTICLE V - PRESERVATION OF RULES

This Agreement shall not be construed to make any change in any existing rule on any individual railroad or any portion of such a rule that contains provisions identical with or more favorable to the employees than the provisions of this Agreement. The election thus made available to the General Chairman must be exercised in writing within thirty (30) days after the effective date of this Agreement.

ARTICLE VI- APPROVAL

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

ARTICLE VII - EFFECTIVE DATE AND TERMINATION

This Agreement shall become effective on December 1, 1959, and is in settlement of the dispute growing out of notices served on the carriers listed in Exhibits A, B, and C on or about May 22, 1957, and shall be construed as a separate agreement by and on behalf of each of said carriers and its employees represented by the organization signatory hereto and shall remain in effect until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

SIGNED AT CHICAGO, ILLINOIS, THIS 7th DAY OF OCTOBER, 1959.

Signatures applying to the Mediation Agreement are not here reproduced.

Mr. Charlie M. Morgan
BMW General Chairman
3009 West Colorado Avenue, #C-1
Colorado Springs, CO 80904

Re: Letter of Understanding – Health, Welfare, Major Medical, & Dental Coverage

Dear Mr. Morgan,

As part of our settlement of the 2010 – 2015 UTAH/MOW negotiations, the Carrier and the Organization agreed:

The following employees and retirees will be enrolled in the correct G&W H&W, STD, Life Insurance, and vacation plans:

Khalid Sheikh – Present retiree, enroll in the G&W comprehensive plan.

Benjamin Mendoza – Present retiree, enroll in the G&W comprehensive plan.

Jerry D. Hamaker - H&W, STD, Life Insurance. Jerry will be grandfathered into the 2007 agreement vacation plan not G&Ws.

Wilfredo Tapia – H&W, STD, Life Insurance. Wilfredo will be grandfathered into the 2007 agreement vacation plan not G&Ws.

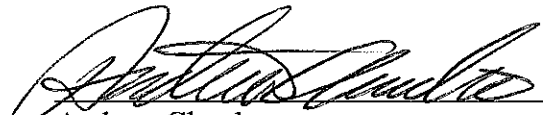
Dell Snow - H&W, STD, Life Insurance, and G&W vacation plan starting Jan 1, 2011. Dells hire date is 12/11/97, he should get 19 days under the G&W plan.

Jacoby Lloyd - H&W, STD, Life Insurance, and G&W vacation plan starting Jan 1, 2011. Jacoby's hire date is 1/17/07, he should get 13 days under the G&W plan.

Jeff Wilson - H&W, STD, Life Insurance, and G&W vacation plan starting Jan 1, 2011. Jeff's hire date is 8/15/07, he should get 13 days under the G&W plan.

If this accurately reflects your understanding, please sign below.

AGREED, December 16th, 2010:



Andrew Chunko



Charlie Morgan