NORFOLK SOUTHERN

Agreement between

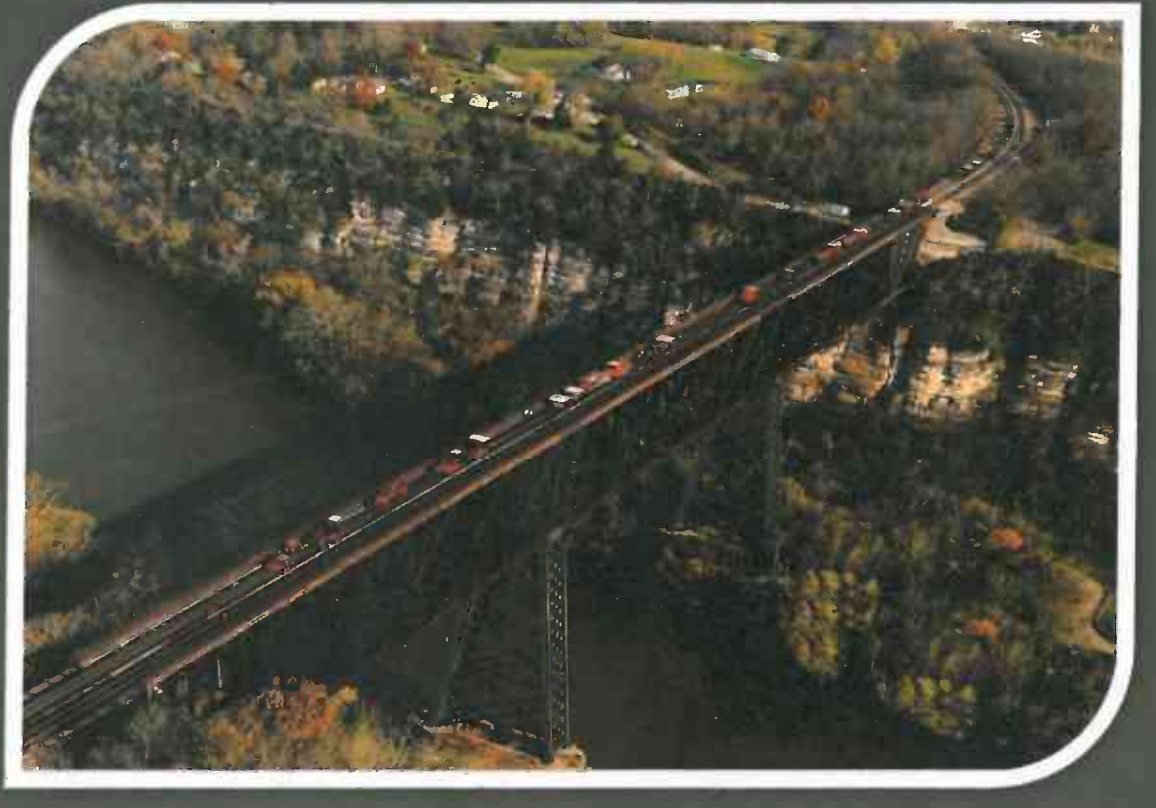
Norfolk Southern Railway Company

And

Roadway Equipment Mechanics

Working in the Engineering Department Represented by International Association of Machinists and Aerospace Workers

January 1, 2013



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SECTION 1

JANUARY 1, 2013 MEMORANDUM OF AGREEMENT

AGREEMENT

between

NORFOLK SOUTHERN RAILWAY COMPANY
(FORMER SOUTHERN RAILWAY COMPANY and
FORMER NEW YORK, CHICAGO AND ST. LOUIS RAILROAD COMPANY)

and its

EMPLOYEES

represented by the

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

Whereas, the parties desire to adjust the provisions for compensation and working conditions of monthly rated pump repairers and replace Rules 32, 74 and the March 1, 1975 Memorandum of Agreement and the September 1, 1999 Agreement involving former NKP employees by setting forth the special provisions applicable only to Pump Repairers, which henceforth the classification of Pump Repairer will be referred to as Roadway Equipment Mechanic;

It is agreed:

SECTION 1 - Seniority

(a) The seniority districts for Roadway Equipment Mechanics employed in the Maintenance of Way and Structures Department (MWS) are:

(1) Northeast Seniority Region
(2) Northwest Seniority Region
(3) Southeast Seniority Region
(4) Southwest Seniority Region
(5) Lake Seniority Region
(6) System Roadway Equipment Mechanic – (employees listed on this roster may also possess a seniority date on one of the respective five Regional rosters.)

The regional boundaries are as they existed on January 1, 2012, except that the line from:

- Memphis, TN to Chattanooga, TN line formerly contained in the Northwest Seniority Region is included as part of the Southwest Seniority Region;

- Leeds, AL to Columbus, GA line formerly contained in the Southeast Seniority Region is included as part of the Southwest Seniority Region;

- St. Louis Terminal (MP 3.6 W) to Louisville, KY (MP 270.4 W), including branches, line is removed from the Northwest Seniority Region.

NOTE: There is no current active employee located on the above lines who will be adversely affected by the identified change in seniority region.

An occupant of the position of System Roadway Equipment Mechanic is headquartered at the Charlotte Roadway Shop, Charlotte, North Carolina and performs duties at the Roadway Shop when not otherwise used. System Roadway Equipment Mechanic positions established for camp trailer maintenance and special projects will be bulletined and assigned by seniority on a system basis with headquarters designated by bulletin and assignment, with headquarters at locations such as Knoxville, Charlotte, Macon, or Birmingham shops but not limited thereto. The allowance for off region shall not be applicable to the occupant of a System Roadway Equipment Mechanic position.

(b) In conformity with the intent of the parties that Roadway Equipment Mechanics work within a radius on a seniority region, employees entering the service as Roadway Equipment Mechanics shall establish seniority on the seniority Region in which the headquarters of their Roadway Equipment Mechanic position is located.

(c) In the event it becomes necessary to change headquarters points of Roadway Equipment Mechanics as a result of the provisions of this agreement, the position shall be abolished and a new position created, bulletined, and assigned by seniority. Should any Roadway Equipment Mechanic be laid off or displaced, they may displace any junior Roadway Equipment Mechanic on their seniority region occupying a position to which their seniority and qualifications entitle them, or, if they hold seniority in the Maintenance of Equipment (MOE) Department, may return to said department and place themselves in accordance with the provisions of the March 1, 1975 Agreement, as amended.

(d) New positions and vacancies in Roadway Equipment Mechanic assignments shall have bulletins issued and assignments made in accordance with Rule 20 and will be bulletined as follows:

> There is a vacancy in the position of Roadway Equipment Mechanic with headquarters at _____. Qualifications being equal the position will be assigned to the senior qualified applicant. In the event there is no qualified applicant, the position will be filled by the selection in seniority order from available qualified applicants from other Regions. In determining qualifications, management shall be the judge, subject to appeal to the highest designated officer.

(e) Employees holding seniority rights as a Roadway Equipment Mechanic in the MWS Department or as a Machinist in the Charlotte Roadway Shop shall have prior rights to new positions and vacancies as a Roadway Equipment Mechanic over employees holding rights only in the MOE Department; therefore, new positions and vacancies as Roadway Equipment Mechanics shall first be bulletined and assigned to employees holding seniority rights as a Roadway Equipment Mechanic on the respective seniority rosters before being offered to any Charlotte Roadway Shop Machinist and then to MOE Department employees at various points in the regions who have made application for positions of Roadway Equipment Mechanic.

(f) For the purposes of this agreement, Roadway Equipment Mechanics (composite mechanics) employed in the MWS Department, are a part of the class or craft of machinists.

(g) Except in an emergency situation, as defined in (h) (2) below, employees holding seniority as a Roadway Equipment Mechanic shall not be used to perform duties in any seniority region other than their own while a Roadway Equipment Mechanic is furloughed in such other seniority region(s).

(h) Employees occupying Roadway Equipment Mechanic positions on the Lake Region on September 1, 1999 shall not be used off-region unless:

(1) The individual Roadway Equipment Mechanic involved voluntarily agrees to accept such service or

(2) There exists a bona fide emergency, such as flood, snow, storm, hurricane, tornado, earthquake, fire, or other unanticipated occurrence resulting in blockage of mainline or interruption of operation.

SECTION 2 - Filling positions

(a) Employees represented by International Association of Machinists and Aerospace Workers holding seniority as a Roadway Equipment Mechanic (composite mechanic) in the MWS Department shall have prior rights to new positions and vacancies as Roadway Equipment Mechanics over employees holding seniority as machinist only in the MOE Department. Vacancies and new positions shall accordingly be bulletined and assigned to employees holding seniority as a Roadway Equipment Mechanic on the respective seniority rosters.

(b) Employees in the Charlotte Roadway Shop or in the MOE Department who desire employment as a Roadway Equipment Mechanic shall, on or before the first day of each calendar year, address an application for employment in such capacity to the designated Carrier Officer (currently the Chief Engineer Maintenance Equipment), copy to their employing officer and the General Chairman. Said application shall contain the

name and employee identification number of the applicant, home point and seniority date and the seniority region identified above in which the employee desires employment as a Roadway Equipment Mechanic.

(c) Upon receipt of such application, transfer from the Charlotte Roadway Shop or the MOE Department to a Roadway Equipment Mechanic position shall be allowed at the discretion of the Chief Engineer, in accordance with the provisions of the March 1, 1975 Agreement, as amended. A successful applicant for transfer will be notified in writing by the designated Carrier Officer and shall be advised of the date, or approximate date, that he will be expected to transfer, with a copy to the General Chairman.

(d) When an employee makes application for and is assigned to a position of Roadway Equipment Mechanic in the MWS Department such employee may return to a position in the Charlotte Roadway Shop or in the MOE Department only when there is no position as a Roadway Equipment Mechanic that such employee may fill in the exercise of their seniority rights. Seniority as a Roadway Equipment Mechanic shall be established as of the first day worked in that capacity as a Journeyman.

(e) Persons hired at Carrier discretion as a Roadway Equipment Mechanic, subject to review and concurrence of the General Chairman as to journeymen status, shall establish seniority as of the date of entrance into Carrier's service. In the event such employees' employment application is not approved, they fail to pass a medical examination, or otherwise fail to meet the Carrier's entrance requirements, they shall be terminated and have their name removed from the seniority roster; provided, however, any termination of an employee for these reasons (not including falsification of their employment application) must be made within ninety (90) calendar days after the first day service is performed. During this ninety (90) day period, such employees will not be entitled to any skill differential payments.

(f) IAMAW Roadway Equipment Mechanics may be used off of their agreement territory as operationally expedient to accomplish maintenance and repair work on roadway equipment, primarily but not exclusively comprising production gangs such as Rail, T&S, and Surfacing Gangs.

Non-IAMAW represented Company employees assigned as roadway equipment repairmen may be used in like manner on territory covered by the agreement with IAMAW Roadway Equipment Mechanics. However, such employees assigned in other crafts shall not replace or displace IAMAW Roadway Equipment Mechanics off of their seniority Region, i.e. such employees shall not be used on a seniority Region where Roadway Equipment Mechanics are furloughed.

It is recognized that the current total of active IAMAW Roadway Equipment Mechanics is seventy-one (71). If this "total active number" declines by 10% or more for a period of thirty (30) calendar days or more (not including temporary absence for

sickness or other personal reasons or permanent vacancies that are under bulletin or in the process of being filled by a new hire), the use of non-IAMAW roadway equipment repairmen on territory covered by this agreement shall be suspended upon request of the General Chairman until the active IAMAW Roadway Equipment Mechanic force is restored to the required active level. The thirty (30) calendar days' limitation may be extended by mutual agreement between the IAMAW General Chairman and appropriate Carrier Officer.

This provision is not intended to significantly disturb the relative performance of equipment repair work as currently performed between IAMAW Roadway Equipment Mechanics and BMWE Roadway Machine Repairmen. In the event of any reduction subsequent to the date of this agreement in the total number of Company employees performing equipment repair (i.e. the sum of employees assigned as Roadway Equipment Mechanics and BMWE Roadway Machine Repairmen), the "total active number" listed above as seventy-one (71) shall be readjusted to equal the lesser of either seventy-one (71) or 31% of the total of Company employees performing equipment repair. If this resultant "total active number" declines by 10% or more for a period of thirty (30) calendar days or more (not including temporary absence for sickness or other personal reasons or permanent vacancies that are under bulletin or in the process of being filled by a new hire), the use of non-IAMAW roadway equipment repairmen on territory covered by this agreement shall be suspended upon request of the General Chairman until the active IAMAW Roadway Equipment Mechanic force is restored to the required active level. The thirty (30) calendar days' limitation may be extended by mutual agreement between the IAMAW General Chairman and appropriate Carrier Officer.

SECTION 3 - Rate of Pay, Travel

(a) A monthly rate of pay as specified in Rule 31-Rates of Pay, for Roadway Equipment Mechanics regularly assigned to perform road work and paid on a monthly basis shall cover all services performed except service on assigned rest day. All Roadway Equipment Mechanics will continue to receive the fifty-cent skill differential for Traveling Mechanics as provided for in Article VII of the July 31, 1992, Imposed Agreement.

(a-1) The Company may establish Lead Mechanic positions to perform material requisition, coordinating and delegating work activities, reporting to a supervisor, keeping time, and the like, in addition to their normal Roadway Equipment Mechanic duties with the gang and will be paid an additional fifty-cent per hour differential (i.e. in addition to the fifty cent skill differential currently received by Traveling Mechanics) on the same basis as the skill differential provided for in Article VII of the July 31, 1992, Imposed Agreement. When the Carrier determines that one of a group of Roadway Equipment Mechanics working in the same force is to perform as a Lead Mechanic, qualifications being equivalent, preference will be given to seniority. If one party to this agreement

determines that the provisions for the establishment and assignment of Lead Mechanics among the Roadway Equipment Mechanics is not satisfactorily accomplishing the purpose, such party may notify the other in writing of its desire to amend the arrangement. The General Chairman and the highest designated officer of the Carrier will promptly discuss the matter in conference. If not satisfactorily resolved, either party may notify the other in writing within ten (10) days following this conference, that the Lead Mechanic provision is to be terminated within sixty (60) days of the receipt of this written notice, unless the parties mutually agree to do otherwise.

(a-2) Roadway Equipment Mechanics who perform service with and assigned to production gangs (such as Rail, T&S, and Surfacing Gangs) will be paid an additional one dollar and fifty cents ($1.50) per hour differential (i.e. in addition to the fifty cent skill differential received by all Traveling Mechanics and the fifty cent skill differential provided to Lead Mechanic positions) on the same basis as the skill differential provided for in Article VII of the July 31, 1992, Imposed Agreement. This provision for an additional one dollar and fifty cents per hour differential does not alter management's right to delegate the work of the respective Roadway Equipment Mechanics consistent with historical practices. This provision shall not constitute a basis for any Roadway Equipment Mechanic to assert a claim to perform the duties delegated to another Roadway Equipment Mechanic position, or to prevent the staggering of starting times among Roadway Equipment Mechanics working together in support of a MW crew.

(b) Roadway Equipment Mechanics will be assigned one regular rest day per week, Sunday if possible. Work or service performed at the direction of management on the assigned rest day will be paid at the time and one-half rate.

(c) Any pre-scheduled or planned work that is required to be performed on the sixth (stand-by) day of the workweek will be paid for at the time and one-half rate. Pre-scheduled work refers to a task planned in advance as opposed to work necessitated by a bona fide emergency, such as flood, snow, storm, hurricane, tornado, earthquake, fire, or other unanticipated occurrence resulting in blockage of mainline or interruption of operation.

(d) The straight time hourly rate for such employees shall be determined by dividing the monthly rate by 213 hours, which are the hours comprehended in the monthly rate.

(e) Future wage adjustments, so long as the rates remain in effect on such basis, shall be made on the basis of 213 hours.

(f) The regular assigned Roadway Equipment Mechanics under the provisions of

this rule may be used, when at home point, to perform shop work in connection with the work of their regular assignments.

(g) When the service requirements make the purchase of meals and lodging necessary while away from home point, Roadway Equipment Mechanics will be paid necessary expenses, in which the allowance for meals is Breakfast - $7.75, Lunch - $9.50, and Dinner - $10.75. Beginning January 1, 2015, these meal allowances shall be adjusted by the percentage increase in the CPI-W (1967=100) in the previous 12 month period. Subsequent adjustments will take place semi-annually beginning on July 1, 2015 and continuing thereafter until changed by agreement. When Roadway Equipment Mechanics are provided a Company vehicle in connection with their duties, the Roadway Equipment Mechanics' permission to drive the Company vehicle between the work site or headquarters and his residence for the rest period will be consistent with Chief Engineer Maintenance Equipment department policy.

While Roadway Equipment Mechanics are regularly assigned to perform road work and are therefore expected to travel and work away from their headquarters according to the exigencies of the service, it is not intended that they be kept away from their designated headquarters for unreasonable periods. With this in view, reasonable effort will be made to permit them to be at their headquarters point on their assigned rest days except in emergencies. Accordingly:

Roadway Equipment Mechanics will be paid an allowance of $25.00 each week that they are worked off their seniority region [This does not apply to circumstances when the Roadway Equipment Mechanic is off-Region for a portion of the day, such as to pick up or deliver parts, and is not provided lodging at an off-Region location]. However, after six consecutive weeks of off-Region work by a particular Roadway Equipment Mechanic in a calendar year the allowance for this same employee will be $50.00 for any subsequent week that the employee is worked off-Region during the remainder of the calendar year.

Roadway Equipment Mechanics required by the Company to travel by highway from their headquarters to a work location off the territory covered by their seniority Region will be paid at the straight time rate for the time expended in such travel outside of their Region on their rest day or on their stand-by day, on the basis of one hour for each 50 highway miles by most direct route between the off-Region point where they are required to report and the closest point located on their seniority Region. In lieu of the above highway travel on stand-by or rest day, the Company may elect to provide air transportation for travel between the work point and headquarters over the rest period. In so doing, the Company will furnish transportation between the work point and airport and the payment for off-Region travel time will be based on the flights' departure and arrival times.

If after arrival at the work location, the employee is required to perform work on his rest day or stand-by day, the employee shall be paid at the applicable rate of

pay for all hours worked, in addition to actual travel time pay described above.

(h) Roadway Equipment Mechanics may be required to work a schedule that includes working on their rest day or stand-by day in order to directly support a MW crew that is working a schedule that includes Saturday or Sunday as part of the work period. The work performed on such stand-by day or rest day will not be paid at the time and one-half rate unless the Roadway Equipment Mechanic is not allowed to take off a regular work day in exchange for working on the rest day or on the stand-by day. Similarly, there will be no deduction against the monthly rate in connection with the Roadway Equipment Mechanic being off on the regular work days that were exchanged for this rest day or stand-by day work without overtime pay. The involved Roadway Equipment Mechanic shall be given at least thirty-six hours advance notice when required to work this alternative work/rest schedule.

NOTE: The parties recognize that special circumstances may arise in individual cases as to the proper application of this provision to coordinate the work week of a Roadway Equipment Mechanic with the work week of the MW roadway equipment operators being supported. If so, the General Chairman may handle directly with the highest designated officer of the Carrier. Moreover, the parties commit to work to resolve any such issues on an amicable basis.

SECTION 4 - Miscellaneous, Effect of Agreement

All other rules and agreements applicable to Roadway Equipment Mechanics, such as but not limited to discipline, vacation, force reduction, etc., remain in full force and effect except as specifically modified herein.

This agreement signed and made effective on January 1, 2013.

FOR THE ORGANIZATION:

General Chairman, IAMAW

FOR THE NORFOLK SOUTHERN RAILWAY COMPANY:

Assistant Vice President Labor Relations

January 1, 2013

Side Letter No. 1

AG-MA-101
AG-IAM-2008-1

Mr. T. J. Kruciak
General Chairman, IAMAW
949 West Johnson
Aransas Pass, Texas 78336

Dear Mr. Kruciak:

This is in reference to our discussions concerning the proposed agreement for the monthly rated traveling Pump Repairmen, to be referred to as Roadway Equipment Mechanics. In conjunction with the executing of that agreement, to be effective January 1, 2013, new arrangements will simultaneously go into effect with respect to the performance of Division Line Maintenance Roadway Equipment Mechanic work on the Buffalo-Cleveland line of the Lake Region and the Danville, VA – Alexandria, VA/Manassas to Edinburg, VA line of the Northeast Region.

This will confirm our understanding regarding those new arrangements to accomplish certain mechanic work on M of W machines as described below.

- BMWED-represented employees may be used to perform Roadway Equipment Mechanic work on Division Line Maintenance equipment located on the Danville, VA – Alexandria, VA/Manassas to Edinburg, VA line when it is not operationally practical to use a regular assigned Northeast Region IAMAW-represented Roadway Equipment Mechanic.

- BMWED-represented employees may be used to perform Roadway Equipment Mechanic work on Division Line Maintenance equipment located on the Buffalo to Cleveland (UD MP B 172.0). However, regular assigned IAMAW-represented Roadway Equipment Mechanic R. T. Kirby, EIN: 0159440, has preferential right to continue to perform the duties of his current position on that line, until retirement, promotion to non-agreement, resignation, dismissal, death or voluntarily exercise of seniority to another position. Moreover, while assigned to his current position, IAMAW-represented Roadway Equipment Mechanic R. T. Kirby may be temporarily used to assist on adjacent lines of the Pittsburgh managerial division when no Roadway Equipment Mechanic work is being performed on Division Line Maintenance machines located on the Buffalo to Cleveland (UD B 172.0) line. Upon IAMAW-represented Roadway Equipment Mechanic R. T. Kirby voluntarily vacating his current position, no other IAMAW-

represented Roadway Equipment Mechanic will have a contractual right to perform Roadway Equipment Mechanic work on Division Line Maintenance machines located on the Buffalo to Cleveland (UD B 172.0) line.

Please indicate your concurrence of this understanding by signing below.

Very truly yours,

D. L. Kerby
Assistant Vice President
Labor Relations

AGREED:

T. J. Krudek
General Chairman, IAMAW

SECTION 2

ADDITIONAL WORK RULES APPLICABLE TO ROADWAY EQUIPMENT MECHANICS

LUNCH PERIOD

RULE 1.

Employees will be allowed not less than 20 minutes to procure lunch.

CHANGING SHIFTS

RULE 2.

(A) The starting time of the regular work period of regularly assigned service will be designated by the supervisory officer and once designated, will not be changed to the extent practicable without first giving employees affected thirty-six hours' notice.

(B) For regular operation necessitating working periods varying from those fixed for the general force, the hours of work will be assigned in accordance with the requirements.

(C) Nothing in this Rule 2 shall affect existing practices on the property with respect to the Carrier's right to stagger start times of mechanics working day shifts.

SENIORITY ROSTERS

RULE 3.

(A) Seniority rosters shall be posted during the month of January in each year. They will be open to inspection and copy furnished the Committee and General Chairman.

(B) Such rosters shall be subject to protest for a period of sixty (60) days after posting. Any protest must be handled through the General Chairman who will handle same directly with Labor Relations. No protest will be considered under these provisions for rosters posted prior to the effective date of this agreement.

PROMOTION TO POSITIONS OF FOREMAN OR OFFICIAL POSITIONS WITH A CARRIER OR LABOR ORGANIZATION

RULE 4.

(A) Mechanics in service will be considered for promotion to positions as Foremen. Employees promoted to positions of Assistant Foreman or Foreman and to official positions with Norfolk Southern Corporation, its successors, railroad affiliates, or the Organization party hereto shall, subject to the provisions of paragraphs (B) and (C) below, retain and continue to accumulate seniority established in accordance with the provisions of the rules of this agreement regardless of whether their names are shown on the seniority rosters.

(B) Effective January 1, 1988, all employees promoted subsequent thereto to official, supervisory, or excepted positions from crafts or classes represented by the Organization party hereto 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.

(C) Employees promoted prior to January 1, 1988, to official, supervisory, or excepted positions from crafts or classes represented by the Organization party hereto 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.

(D) In the event employees so promoted are demoted, furloughed or have occasion to leave the position to which promoted for any reason beyond their control, they shall have the right to exercise a displacement right within ten (10) days from the date so affected under the provisions of Rule 7.

(E) Such employees returning to positions covered by this agreement because of their own election may do so within ten (10) days from the date their election is effective, but only by applying for existing vacancies to which their seniority entitles them. In the event there are no existing vacancies, such employees may displace only the employee with the least seniority in their craft at the point where they hold seniority.

(F) All time spent on leave of absence with the union will be considered as qualifying time for vacation and personal leave days.

FORCE REDUCTION

RULE 5.

(A) When it becomes necessary to reduce expenses, the force shall be reduced.

(B) Except as provided in Rule 8 with respect to use of furloughed employees and Rule 7 - Emergency Force Reduction, when forces are to be reduced or positions abolished, not less than five (5) working days advance notice shall be given employees affected and list of same shall be furnished employee representatives.

(C) The last individual employed shall be the first employee laid off.

(D) In the restoration of forces, senior laid off employees will be given preference to reemployment and shall be notified in writing at their last known address by their employing officer to return to the service. .

(E) Employees notified to return to the service under paragraph (D) above shall advise their employing officer within ten (10) days from the date of said notice of their intent to return or not return.

(F) Employees must report for service as near the date called for as circumstances and conditions will permit. Unless employees give the notice required under paragraph (E) above and return to service, or arrange for proper leave of absence with their employing officer, their names, except in cases of bona fide sickness, shall be stricken from the seniority roster(s).

EMERGENCY FORCE REDUCTION

RULE 6.

(A) Rules, agreements or practices, however established, that require advance notice to employees before temporarily abolishing positions or making temporary force reductions are hereby modified to eliminate any requirement for such notices under emergency conditions such as flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (B) below, provided that such conditions result in suspension of Carrier's operations in whole or in part. It is understood and agreed that such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four hours' pay at the applicable rate for his position.

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

READJUSTMENT OF FORCES - DISPLACEMENT RIGHTS

RULE 7.

(A) When it becomes necessary to adjust the forces for any reason, the position or positions to be made vacant shall be abolished as provided in Rule 5.

(B) Any employee affected thereby shall, if qualified (reasonable trial to be afforded to determine qualifications), be privileged to displace within forty-eight (48) hours any employee his junior in point of service on his own or any other shift or department to which he may desire to go.

(C) When forces are restored, employees shall be recalled as provided in Rule 5.

FURLOUGHED EMPLOYEES (USE OF)

RULE 8.

(A) The Carrier shall have the right to use furloughed employees to perform relief work on regular positions during absence of regular occupants, provided such employees have signified in the manner provided in paragraph (B) hereof their desire to be so used. This provision is not intended to supersede rules or practices which permit employees to place themselves on vacancies on preferred positions in their seniority districts, it being understood, under these circumstances, that the furloughed employee will be used, if the vacancy is filled, on the last position that is to be filled.

This does not supersede rules that require the filling of temporary vacancies. It is also understood that management retains the right to use the regular employee, under pertinent rules of the agreement, rather than call a furloughed employee.

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

Only those furloughed employees who hold seniority at a particular point may notify the proper Carrier officer and thereafter be considered available to perform relief work on regular positions at such point.

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

NOTE 1: Employees who are on approved leave of absence will not be considered furloughed employees for purposes of this agreement.

NOTE 2: Furloughed employees shall in no manner be considered to have waived their rights to a regular assignment when opportunity therefore arises.

LEAVE OF ABSENCE

RULE 9.

When the requirements of service will permit, employees, upon written request, will be granted leave of absence, not to exceed thirty (30) days, with privilege of renewal upon written request. If renewal is desired, written application in accordance with the foregoing requirements will be made prior to the expiration of the leave of absence previously granted.

An employee absent on leave, who engages in other employment, will lose his seniority unless special provision has been made therefore by the proper official and local chairman representing his craft.

EMPLOYEES UNAVOIDABLY ABSENT

RULE 10.

(A) In case an employee is unavoidably kept from work, he will not be discriminated against. An employee detained from work on account of sickness or for any other good cause shall notify his foreman as early as possible.

(B) The provisions of paragraph (A) shall be strictly complied with. Excessive absenteeism (except due to sickness under paragraph (A) above) and/or tardiness will not be tolerated and employees so charged shall be subject to the disciplinary procedures of Rule 11.

(C) An employee in service who fails to protect his assignment due to engaging in other employment shall be subject to dismissal.

DISCIPLINE

RULE 11.

Section A - General Requirements

1. An employee who has been in the service of the Carrier for sixty (60) working days shall not be discharged, suspended or otherwise disciplined without a fair and impartial investigation except that an employee may waive an investigation in accordance with Section B(2) of this agreement.

2. An employee shall not be held from service pending investigation except in serious cases, such as theft, altercation, Rule G violation, insubordination, major accidents, serious misconduct and major offenses, etc., whereby the employee's retention in service could be detrimental to himself, another person or the Carrier.

Section B - Formal Investigation

1. Notice of Investigation

(a) An employee directed to attend a formal investigation to determine the employee's responsibility, if any, in connection with an occurrence or incident shall be notified, in writing, by certified mail to the last known address, with a copy to duly authorized representative and a copy to the General Chairman which may be sent by fax or electronically, within a reasonable period of time, but not to exceed ten (10) days from the date of occurrence, or where the occurrence is of a nature not immediately known to the employee's supervisor(s), not to exceed ten (10) days from the time they first have knowledge thereof. The notice shall contain a precise statement of the date, time, place and nature of the occurrence or incident that is to be the subject of the investigation.

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

(b) The notice shall state the date, time and place the investigation is to be held which shall be not less than four (4) days after the date of notification or more than fifteen (15) days after the date of notification unless otherwise agreed to.

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

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

(e) If any employee who is to receive a notice of investigation will not be permitted to exercise the option under Section B(2) of this agreement, the notice of investigation shall so specify.

2. Waiver of Investigation

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

If disposition of the charges is made on the basis of the employee's acknowledgment of responsibility, the disposition shall be reduced to writing and signed

by the employee and the official involved and shall incorporate a waiver of investigation and shall specify the maximum discipline imposed for employee's acceptance of responsibility with copy to General Chairman.

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

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

3. Postponements of Investigation

Consistent with the provisions of Section A(1) for a fair and impartial investigation, postponements of the formal proceeding may be requested by either party on reasonable grounds and consent shall not be unreasonably withheld.

4. Conduct of Investigation

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

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

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

(c) The term "duly authorized representative" shall be understood to mean a member of the regularly constituted committee or an officer of the organization duly authorized to represent the employee in accordance with the Railway Labor Act, as amended.

(d) If the formal investigation is not held within the time limits specified in Section B(1)(b), or the decision is not rendered within thirty (30) calendar days from the close of the investigation, the employee will not be disciplined, will be paid for all time lost, and no disciplinary entry will be made in the employee's personal service record.

Section C - Transcript of Investigation

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

A copy of the transcript shall be furnished to the duly authorized representative or to the employee if he represents himself at the time the decision is rendered in the event discipline is assessed. In those cases where dismissal has been assessed, the General Chairman will also be furnished a copy of the transcript of the investigation and the decision rendered.

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

Section D - Compensation for Attending Investigations

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

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

Section E - Time Limit of Appeals

1. When discipline has been assessed as a result of a formal investigation and the decision as rendered by the Carrier is not acceptable to the employee, any appeal must be presented in writing and subsequently handled in accordance with Article V of the August 21, 1954 Agreement. However, there shall not be more than two (2) succeeding officers involved in the discipline appeals process and in cases of dismissals the employee or the General Chairman may appeal from the decision directly to the highest officer of the Carrier designated to handle disputes under the Railway Labor Act, and the Carrier officer whose decision is being appealed in all cases shall be notified within the time frame of the rejection of his decision.

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

suspension or dismissal will be covered under the National Health and Welfare Plan as if he or she had not been suspended or dismissed in the first place.

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

Section F - Unjust Treatment

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

Section G - Effect of Time Limits

The time limits set forth in this agreement will govern the discipline procedure to the exclusion of any other rule, practice or agreement to the contrary and such time limits may be extended by mutual agreement in writing.

NOTE: Upon request, employees shall be permitted to review their personal record file during their off-duty hours. Information regarding any alternative forms of discipline is available from union representatives or managers.

CLAIMS AND GRIEVANCES

RULE 12.

(A) All claims or grievances shall be handled as follows:

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

2. If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within 60 days from receipt of notice of disallowance and the representative of the Carrier shall be notified in writing within that time of the rejection of decision. Failing to comply with this provision, the matter shall be considered closed, but this shall not be considered as a precedent or waiver of the contentions of the employees as to other similar claims or grievances. It is understood, however, that the parties may, by agreement, at any stage of the handling of a claim or

grievance on the property, extend the 60-day period for either a decision or appeal, up to and including the highest officer of the Carrier designated for that purpose.

3. The requirements outlined in paragraphs (1) and (2), pertaining to appeal by the employee and decision by the Carrier, shall govern in appeals taken to each succeeding officer, except in cases of appeal from the decision of the highest officer designated by the Carrier to handle such disputes. All claims or grievances involved in a decision by the highest officer shall be barred unless within 9 months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3 Second of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the 9 months' period herein referred to.

(B) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under this rule, be fully protected by the filing of one claim or grievance based thereon as long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than 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.

(C) 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 they represent.

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

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

(F) Pending Grievances - Violation of Agreement

While questions of grievances are pending there will be neither a shut down of the shop by the employer, nor a suspension of work by the employees.

When an alleged violation of agreement or a new practice is complained of by the duly authorized committee, an investigation will be held immediately under the provisions of Rule 11.

ATTENDING COURT

RULE 13.

When attending court as witnesses for the Company, employees will be reimbursed for actual necessary expenses and paid for time lost, i.e., they will be allowed compensation equivalent to what they would have earned had such interruption not taken place. If required to attend court as witnesses for the Company on an assigned rest day or holiday which they would not have worked, they will be paid for eight (8) hours at the pro rata rate each day or part thereof for such court service.

JURY DUTY

RULE 14.

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.

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

3. No jury duty pay will be allowed for any day as to which the employee is entitled to vacation or holiday pay.

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

5. Except as provided in paragraph (6), an employee will not be required to work on his assignment on days which jury duty:

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

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

6. On any day that an employee is released from jury duty and four or more

hours of his assignment remain, he will immediately inform his supervisor and report to work if advised to do so.

(As Revised December 2, 1978 National Agreement)

ASSIGNMENT OF WORK - USE OF SUPERVISORS

RULE 15.

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

(B) If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairman. Any disputes over the application of this rule shall be handled in accordance with the provisions of Rule 12 - Claims and Grievances.

INCIDENTAL WORK RULES

RULE 16.

Applicable to employees in the class or craft of machinists by National Agreement dated April 9, 1970, as amended by the July 31, 1992 Agreement.

Section 1

The coverage of the Incidental Work Rule is expanded to include all shopcraft employees and shall read as follows:

> Where a shopcraft employee or employees are performing a work assignment, the completion of which calls for the performance of "incidental work" (as hereinafter defined) covered by the classification of work or scope rules of another craft or crafts, such shopcraft employee or employees may be required, so far as they are capable, to perform such incidental work provided it does not comprise a preponderant part of the total amount of work involved in the assignment. Work shall be regarded as "incidental" when it involves the removal and replacing or the disconnecting and connecting of parts and appliances such as wires, piping, covers, shielding and other appurtenances from or near the main work assignment in order to accomplish that assignment, and shall include simple tasks that require neither special training nor special tools. Incidental work shall be considered to comprise a preponderant part of the

assignment when the time normally required to accomplish it exceeds the time normally required to accomplish the main work assignment.

In addition to the above, simple tasks may be assigned to any craft employee capable of performing them for a maximum of two hours per shift. Such hours are not to be considered when determining what constitutes a "preponderant part of the assignment."

If there is a dispute as to whether or not work comprises a "preponderant part" of a work assignment the Carrier may nevertheless assign the work as it feels it should be assigned and proceed or continue with the work and assignment in question; however, the Shop Committee may request that the assignment be timed by the parties to determine whether or not the time required to perform the incidental work exceeds the time required to perform the main work assignment. If it does, a claim will be honored by the Carrier for the actual time at pro rata rates required to perform the incidental work.

Section 2

Nothing in the Article is intended to restrict any of the existing rights of the Carrier.

DISMANTLING OF PARTS OF LOCOMOTIVES, CARS AND OTHER MACHINERY

RULE 17.

When dismantling locomotives, cars and other machinery, the parts to be used again will be dismantled by mechanics or student mechanics of their respective crafts.

WELDING AND CUTTING

RULE 18.

Mechanics of the respective crafts shall do oxyacetylene, thermit, and electric cutting and welding. Each craft shall perform the work which was generally recognized as belonging to that craft prior to the introduction of such processes.

To meet the emergencies of the service, those familiar with the process of one craft may work in company with a welder of another craft to assist in the emergency or act in the capacity of demonstrator to teach employees autogenous welding.

The use of cutting torches in wrecking service shall be operated by carmen constituting the derrick crew, but if such carmen are not familiar with the apparatus, others shall be used in its operation.

The use of cutting torches in the cutting of scrap and in the scrapping of equipment may be assigned to others than mechanics.

EMPLOYEE PROTECTION - SUBCONTRACTING

RULE 19.

The Shop Crafts Agreement dated September 25, 1964, as amended, relating to, among other things, Employee Protection (Appendix G) and Subcontracting (Appendix H) shall be applicable to all employees covered by this agreement the same as if the Carrier and Organization signatory hereto had been parties to said agreement but shall not be reproduced herein.

BULLETIN BOARDS

RULE 20.

Bulletin boards, provided by the Railway Company, may be used by the employees for posting business notices and by union representatives for posting notices relative to social events and union meetings, if possible under lock and key. Notices must not be posted elsewhere.

DISCRIMINATION

RULE 21.

(A) It is the policy of the Carrier and the Organization party hereto, that the provisions of this agreement be applied to all employees covered by said agreement without regard to race, creed, color, age, sex, or national origin.

(B) The Carrier will not discriminate against any committeemen who, from time to time, represent other employees, and will grant them leave of absence and free transportation where rail transportation is available on the property when delegated to represent other employees.

PAYMENT OF EMPLOYEES

RULE 22.

(A) Employees will be paid off bi-weekly during the day shift, except where existing state laws provide a more desirable paying off condition. Should the regular pay day fall on a holiday or days when the shops are closed down, employees will be paid on the preceding day.

(B) Where there is a shortage equal to one day's pay or more in the pay of an employee, a pay draft will be issued to cover the shortage.

(C) Employees leaving the service of the Company will receive their pay as soon as possible, but not later than the normal pay period when due.

(D) During inclement weather provision will be made, where buildings are available, to pay employees under shelter.

FREE TRANSPORTATION

RULE 23.

Employees covered by this agreement and those dependent upon them for support will be given the same consideration in granting free transportation as is granted other employees in service. General committees representing employees covered by this agreement, to be granted same consideration, as is, granted general committees representing employees in other branches of the service.

MISCELLANEOUS

RULE 24.

(A) Employees shall not be required to furnish their privately-owned vehicles for Company use.

(B) Employees requested to and using their private vehicles for Company business shall be allowed mileage in accordance with the mileage rate established by the Company for such use.

(C) The Company will supply hand tools and related equipment needed for the employees to perform their duties in accordance with the Company's established repair and maintenance policies and procedures.

EMPLOYEES REQUIRED TO WORK UNDER LOCOMOTIVES AND CARS

RULE 25.

No employee will be required to work under a locomotive or car without being protected by proper signals. Workmen assigned to perform the work shall place the blue flag by day or blue light by night, which will not be removed except by the employees required to place them. When the nature of the work to be done requires it, locomotives or cars will be placed over a pit, if available.

PROTECTION OF EMPLOYEES

RULE 26.

Employees will not be required to work on locomotives or cars outside of shops during inclement weather if shop room and pits are available. This does not apply to work in locomotive cabs or emergency work on locomotive or cars set out for or attached to trains.

When it is necessary to make repairs to locomotives, boilers, tanks or tank cars, such parts shall be cleaned before mechanics are required to work on the same. This will also apply to cars undergoing general repairs.

Employees will not be assigned to jobs where they will be exposed to sand blasts and paint blowers while in operation.

All oxyacetylene or electric welding or cutting will be protected by a suitable screen when its use is required.

SANITATION

RULE 27.

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

Shops and roundhouses shall be properly ventilated to remove exhaust fumes when diesel engines are operated in locomotives.

VACATIONS

RULE 28.

It is the intent of the parties for the Vacation provisions of this agreement to be the same as those applicable on the effective date of this agreement under the nationally negotiated non-operating craft Vacation agreements. Vacations will be granted employees covered by this agreement in accordance with the revisions of the "Vacation Agreement" signed at Chicago, Illinois, December 17, 1941, as last amended effective December 11, 1981. A synthesis of that Vacation agreement is attached as Appendix F.

An employee may elect to schedule one (1) week (five days) of vacation entitlement in one-, two-, three- or four-day increments with the stipulation that:

(A) The one-week split vacation will be taken during the period January 1 through December 31;

(B) Vacation day(s) discussed here may be scheduled upon no less than 48 hours advance notice from the employee to the proper Carrier officer, provided such day(s) may be taken only when consistent with the requirements of the Carrier's service;

(C) Split-week vacation day(s) will be paid for at the regular rate of the employee's assignment; and

(D) The total vacation allotment for each employee will be scheduled in accordance with past practices in one-week increments. Should an employee avail himself of this election, he will schedule those days in accordance with these provisions, and they will be removed from the last two weeks scheduled. Should any days be remaining at the time of the last one-week increment scheduled, the employee will take those days remaining during that week on consecutive days in the manner as assigned by the Carrier. The Carrier will have the right to distribute the work of any position vacated as a result of the application of this rule. The Carrier shall have the option to fill or not fill the position of an employee who is absent on vacation scheduled pursuant to this rule. If the position is filled, any employee used to fill the position of an employee off on vacation pursuant to this rule will be paid, for all service, in accordance with the provisions of this agreement.

(E) A regularly assigned vacation relief worker may be assigned to fill the position vacated by application of this rule. In the event a regularly assigned vacation relief worker is not available, a split-week vacation request can be denied.

(F) Except as otherwise provided above, each employee who is entitled to vacation shall take same at the time assigned and shall be taken from January 1 through December 31 of each calendar year in one-week (five-day) increments.

PHYSICAL EXAMINATIONS

RULE 29.

PHYSICAL EXAMINATIONS – When there is a dispute regarding an employee's mental or physical fitness for service, the case shall be handled in the following manner:

(A) The General Chairman or the Director Labor Relations may file with the other party a written protest which shall include a copy of the medical finding; such protest shall be submitted within thirty (30) days of knowledge of such dispute. Should the medical findings of the employee's doctor conflict with those of the Carrier's doctor, the management and the employee shall each select a doctor, notifying each other of the name and address of the doctor selected. The two doctors thus selected shall

confer and select a neutral third doctor (qualified as an expert in the field of medicine involved and qualified by the American Board or equally rated Society) who will re-examine the employee. If the two partisan doctors fail to agree on the selection of the neutral doctor, the State Medical Association will be requested to submit a list of five (5) names of experts qualified as provided above in the field involved; the partisan doctors will then select one from such list.

(B) The neutral doctor thus selected will examine the employee and render a report within a reasonable time, not exceeding thirty (30) days from the date of his examination, setting forth his findings as to the physical condition of the employee to meet the Carrier's medical standards. Such findings shall be accepted as final and binding.

The doctors selected by the management and employee may make to the neutral doctor any representations which they believe pertinent in connection with the examination. If representations are made in writing, copy of such representation shall be furnished the other party's doctor. If the neutral doctor decides that the employee is fit to continue in service and properly perform the employee's normal duties, such neutral doctor shall also render a further opinion, as to whether such fitness existed at the time the employee was absent from service. Should the neutral doctor conclude that the employee possessed such fitness when withheld from service, the employee will be compensated for actual loss of normal earnings during the period withheld for each working day withheld from assignment and will not be deprived of any other contractual benefit to which he may be eligible.

(C) Should the decision be adverse to the employee and his doctor later contends that the physical condition for which he was disqualified has improved sufficiently to allow him to work, a re-examination by the Carrier's doctor will be arranged upon written request of the General Chairman.

(D) The fee of the neutral doctor and any expenses incurred in connection with his examination of the employee shall be borne equally by the Carrier and the employee.

EMPLOYEES INJURED AT WORK

RULE 30.

Employees injured while at work will not be required to make accident reports before given medical attention. Medical attention will be given as quickly as possible. Employees will make accident report as early as practicable and will not be required to sign release pending settlement of the case. Upon request, an employee will be provided a copy of his initial report of personal injury.

MONTHLY RATES OF PAY FOR ROADWAY EQUIPMENT MECHANICS

RULE 31.

Roadway Equipment Mechanic

Monthly Rate Effective July 1, 2012: **$5827.00**

3.0% G.W.I. Effective July 1, 2013

3.8% G.W.I. Effective July 1, 2014

3.0% G.W.I. Effective January 1, 2015

The above are base rates and do not include any differentials

PAYMENTS TO EMPLOYEES INJURED UNDER CERTAIN CIRCUMSTANCES

RULE 32.

Where employees sustain personal injuries or death under the conditions set forth in paragraph (A) below, the Carrier will provide and pay such employees, or their personal representative, the applicable amounts set forth in paragraph (B) below, subject to the provisions of other paragraphs in this Rule 32.

(A) Covered Conditions

This Rule 32 is intended to cover accidents involving employees covered by this agreement while such employees are riding in, boarding, or alighting from off track vehicles authorized by the Carrier and are (1) deadheading under orders or (2) being transported at Carrier expense.

(B) Payments to be made

In the event that any one of the losses enumerated in subparagraphs (1), (2) and (3) below results from an injury sustained directly from an accident covered in paragraph (A) and independently of all other causes and such loss occurs or commences within the time limits set forth in subparagraphs (1), (2) and (3) below, the Carrier will provide, subject to the terms and conditions herein contained, and less any amounts payable under Group Policy Contract GA-23000 or any other medical or insurance policy or plan paid for in its entirety by the Carrier, the following benefits:

1. Accidental Death or Dismemberment

The Carrier will provide for loss of life or dismemberment occurring within 120 days after date of an accident covered in paragraph (a):

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

"Loss" shall mean, with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

Not more than $300,000 will be paid under this paragraph to any one employee or his personal representative as a result of any one accident.

2. Medical and Hospital Care

The Carrier will provide payment for the actual expense of medical and hospital care commencing within 120 days after an accident covered under paragraph (a) of injuries incurred as a result of such accident, subject to limitation of $3,000 for any employee for any one accident, less any amounts payable under Group Policy Contract GA-23000 or under any other medical or insurance policy or plan paid for in its entirety by the Carrier.

3. Time Loss

The Carrier will provide an employee who is injured as a result of an accident covered under paragraph (A) hereof and who is unable to work as a result thereof commencing within 30 days after such accident 80% of the employee's basic fulltime weekly compensation from the Carrier for time actually lost, subject to a maximum payment of $1000.00 per week for time lost during a period of 156 continuous weeks following such accident provided, however, that such weekly payment shall be reduced by such amounts as the employee is entitled to receive as sickness benefits under provisions of the Railroad Unemployment Insurance Act.

4. Aggregate Limit

The aggregate amount of payments to be made hereunder is limited to $10,000,000 for any one accident and the Carrier shall not be liable for any amount in excess of $10,000,000 for any one accident irrespective of the number of injuries or

deaths which occur in or as a result of such accident. If the aggregate amount of payments otherwise payable hereunder exceeds the aggregate limit herein provided, the Carrier shall not be required to pay as respects each separate employee a greater proportion of such payments than the aggregate limit set forth herein bears to the aggregate amount of all such payments.

(C) Payment in Case of Accidental Death

Payment of the applicable amount for accidental death shall be made to the employee's personal representative for the benefit of the persons designated in, and according to the apportionment required by the Federal Employers Liability Act (45 U. S. C. 51 et seq., as amended), or if no such person survives the employee, for the benefit of his estate.

(D) Exclusions

Benefits provided under paragraph (B) shall not be payable for or under any of the following conditions:

1. Intentionally self-inflicted injuries, suicide or any attempt thereat, while sane or insane;

2. Declared or undeclared war or any act thereof;

3. Illness, disease, or any bacterial infection other than bacterial infection occurring in consequence of an accidental cut or wound;

4. Accident occurring while the employee driver is under the influence of alcohol or drugs, or if an employee passenger who is under the influence of alcohol or drugs in any way contributes to the cause of the accident;

5. While an employee is a driver or an occupant of any conveyance engaged in any race or speed test;

6. While an employee is commuting to and/or from his residence or place of business.

(E) Offset

It is intended that this Rule 32 is to provide a guaranteed recovery by an employee or his personal representative under the circumstances described, and that receipt of payment there under shall not bar the employee or his personal representative from pursuing any remedy under the Federal Employers Liability Act or any other law; provided, however, that any amount received by such employee or his personal representative under this Rule 32 may be applied as an offset by the railroad against any recovery so obtained.

(F) Subrogation

The Carrier shall be subrogated to any right of recovery an employee or his personal representative may have against any party for loss to the extent that the Carrier has made payments pursuant to this Rule 32.

The payments provided for above will be made, as above provided, for covered accidents on or after January 1, 1972.

It is understood that no benefits or payments will be due or payable to any employee or his personal representative unless such employee, or his personal representative, as the case may be, stipulates as follows:

> "In consideration of the payment of any of the benefits provided in this Rule [32] (Article IV, National Agreement of October 7, 1971) (employee or personal representative) agrees to be governed by all of the conditions and provisions said and set forth by Rule [32]."

(G) Claim Handling

1. The District Claim Agent in the territory involved is the designated officer of the Carrier with whom claims arising under the above rules are to be handled.

2. It is agreed that existing time limit on claims rules in national agreements or in local schedule agreements do not apply to claims filed under such off track vehicle accident provisions. Accordingly, the rights of neither the employees nor the railroads will be prejudiced by a failure to comply with a provision of such rules.

SUPPLEMENTAL SICKNESS BENEFITS PLAN

RULE 33.

The provisions of the Agreement dated May 10, 1973, as amended, between Carriers represented by the National Carriers' Conference Committee and employees of such Carriers operating through the Railway Employees' Department AFL-CIO (Applicable to Electrical Workers, Machinists, Boilermaker-Blacksmiths, Carmen and Firemen and Oilers) providing for a supplemental sickness benefit plan shall, while not reproduced herein, be applicable to the employees covered by this agreement.

HEALTH AND WELFARE

RULE 34.

The provisions of the National Health and Welfare Plan negotiated pursuant to the National Agreement of August 21, 1954, as this plan has been revised and amended up to and including the National Agreement of January 4, 2012, shall, while not reproduced herein, be applicable to the employees covered by this agreement.

UNION SHOP - DEDUCTION AGREEMENTS

RULE 35.

The provisions of the Union Shop Agreement dated February 27, 1953, (Appendix B) shall be applicable to all employees covered by this agreement the same as if the Carrier and Organization signatory hereto had been parties to said agreement on February 27, 1953.

The dues deduction agreement dated October 9, 1973 and the payroll deduction for Political League contributions agreement dated March 11, 1982, between the Carrier and the Organization, parties hereto, while not reproduced herein, shall be applicable to employees covered by said agreements.

MACHINISTS' SPECIAL RULES

QUALIFICATIONS

RULE 36.

Any man with two years' experience at the machinist trade and who by his skill and experience, is qualified and capable of laying out and fitting together the metal parts of any machine or locomotive, with or without drawings, and competent to do either sizing, shaping, turning, boring, planing, grinding, finishing or adjusting the metal parts of any machine or locomotive whatsoever shall constitute a machinist.

CLASSIFICATION OF WORK

RULE 37.

Making, repairing, erecting, aligning and dismantling locomotives, stationary and marine engines, machinery and metal parts thereof.

Machinists' work on tools, including shaping and hobbing dies, sharpening drills, reamers, taps, cutters, machine tools and other tools pertaining to the machinists' trade.

Engine truck and trailer work; applying engine truck wheels.

Renewing and applying outside boiler studs (except ash pan and grate rigging studs in boilers); application of brackets bolted on, including ash pan wedges.

Drilling, reaming and tapping with electric and air motors, and ratchets in connection with machinists' work; boring bar work.

Repairing, reaming and grinding valves, standpipes, exhaust pipes, nozzle tips, dry pipes, tee head and steam pipes to cylinders, including stripping, replacing and grinding joints.

Testing, removing and replacing superheater units.

Repairs to electric dynamos, electric headlight (except insulated and current carrying parts), and speed recorders.

Removing, replacing and repairing tires on locomotives, stripping and repairing engines of steam shovels and roadway machinery; hoists, pumps, pile-drivers, gasoline motor cars, steam pumps, gasoline-electric pumps and traveling cranes.

Repairing jacks and track drilling machines.

Erecting shafting and pulleys.

Installing and repairing machinery, cast iron and cast steel stacks and bases, and cast iron petticoat pipe work.

Removing, repairing and replacing rods, shoes and wedges on electric dump cars.

Fitting, turning, assembling, finishing and installing parts of motors, dynamos and power driven parts thereof.

Removing, turning and replacing armature shafts and bearings; turning commutators.

Removing, boring, bushing and babbitting bearings in connection with shafting and motors on machinists' work.

Lining and overhauling machinery of elevators and repairing of machinery, shafting and motors on draw bridges.

Laying out and drilling holes in metal pilot beams.

Repairing, applying and testing air equipment on engines and tenders (except applying and removing triple valves and brake rigging on tenders), grinding, turning, shaping, fitting, etc., to be done on triple valves including the testing and inspecting.

Portable car journal truing machines will be operated by machinists or student mechanics except in order to avoid delays on running repairs in car repair yards, where a carman may be assigned to such work at machinists' rate.

Car wheel boring, axle turning, engine inspecting and all other work generally recognized as machinists' work.

Appendix A

Disposition of Jurisdictional Disputes

DISPOSITION OF JURISDICTIONAL DISPUTES

MEMORANDUM OF UNDERSTANDING

With respect to the administration of letter of February 20, 1940, letter of February 23, 1940, and other correspondence with respect to the disposition of jurisdictional disputes.

It is understood that for the purposes of this Memorandum a jurisdictional dispute exists when and if two or more crafts claim the same work.

That they may be fully advised, it is agreed that Company officers and Brotherhood officers will carefully review the following:

Letter of February 20, 1940 (Five General Chairmen to Mr. Mackay).
Letter of February 23, 1940 (General Chairman Acuff to Mr. Mackay).
Letter of April 24, 1944 (Executive Council to General Chairmen).
Letter of April 29, 1944 (General Chairmen to Mr. Mackay).
Letter of June 15, 1944 (Mr. Mackay to General Chairmen and Superintendents of Motive Power).

(1) So far as the Railroad Companies are concerned, the following will obtain:

A. If a craft is doing the work, it will continue to do it and will under no circumstances, except as indicated below in item (3) A, be taken off unless and until the two Local Chairmen involved or the two General Chairmen of the crafts involved make an agreement and request that the work be changed.

B. Company officers will under no circumstances entertain committees with respect to jurisdictional disputes as defined above except and unless the Chairmen are in agreement. If so in agreement the work will be assigned in accordance with such agreement.

C. If, despite the agreement in (2) A below, workmen or Committeemen approach an officer on the subject of changing men or jurisdiction, as herein defined, such officer must refuse to discuss the matter and cite the complainant to this Memorandum as his authority for such refusal.

(2) So far as the Organizations are concerned, the following will obtain:

A. Except as provided in item (3) A, no employee representative will under any circumstances ask any official that one craft be taken off of work and that it be given to another craft except and unless the Chairmen of the respective crafts involved are in agreement that it shall

be done, in which event they shall approach the representative of Management jointly, nor will they approach Management with respect to a jurisdictional dispute as herein defined unless they are in agreement as to who will do the work.

B. It is the mandatory duty of the Local Chairmen as far as humanly possible to settle all jurisdictional disputes between themselves and, when so settled, handle the matter jointly with Company officials that the work may be assigned as agreed upon. Failing to reach a disposition, the respective employee representatives must promptly refer their respective contentions to their General Chairmen for disposition.

C. In the event that it should develop, as to a particular job which is in dispute, that both crafts have formerly performed similar work at the point where the dispute arises and no disposition is made between the Local Chairmen, Management shall temporarily assign the work to that craft which in its judgment has performed a majority of such work at the point involved.

(3) On the part of both parties:

A. If a mechanic of one craft takes it upon himself to perform the work of another craft without proper assignment, the officer in charge, after satisfying himself that he has so done, will request the man to desist and will properly assign the work. Should the man fail or refuse to comply with the request, he will be removed from service under the procedure provided in schedule rules.

B. Rule 35 of the schedule of wages and working conditions reads as follows:

"Pending Grievances:

"While questions of grievances are pending there will be neither a shut down of the shop by the employer nor a suspension of work by the employees."

Both Committees and Management pledge themselves to see that this rule is properly carried out. The Federated Committee, signatories hereto, have assured Management that there will be no further unauthorized stoppages of work.

C. That under no circumstances shall work be deferred because of jurisdictional disputes.

Management's instructions of February 28, 1944, and October 29, 1946, are hereby cancelled.

A C C E P T E D

For the Employees:

General Chairman, Carmen.

General Chairman, Blacksmiths.

General Chairman, Electrical Workers.

General Chairman, Boilermakers.

General Chairman, Sheet Metal Workers.

General Chairmen, Machinists.

For the Carriers:

Assistant Vice President

Southern Railway Company,
The Cincinnati, New Orleans and Texas Pacific Railway Company,
The Alabama Great Southern Railroad Company,
New Orleans and Northeastern Railroad Company,
The New Orleans Terminal Company,
Georgia Southern and Florida Railway Company,
St. Johns River Terminal Company,
Harriman and Northeastern Railroad Company.

Washington, D. C.
November 23, 1946. *

W. W. DYKE. PRESIDENT
212 MINNESOTA AVE.
KNOXVILLE. TENN.

T. M. MELTON. VICE-PRESIDENT
2503 CHAMBERLAIN AVE.
CHATTANOOGA. TENN.

R. R. LAUGHERTY. SECRETARY-TREASURER
~~301 E. MINNESOTA AVENUE~~
KNOXVILLE. TENN.
6-26 CHICAMAUGA AVE.

EXECUTIVE BOARD MEMBERS

NORMAN DUGGER
MURPHY AVE.
SOMERSET. KY.

L.C. RITTER.
~~P. O. BARTLETT~~
~~17 WEST MAPLE STREET~~
~~ANNISTON, ALA.~~
SOMERSET. KY.

B. R. ACUFF
R. F. D. NO. 15
FTN. CITY. KNOXVILLE. TENN.

SOUTHERN AND ALLIED LINES

FEDERATED SHOP CRAFTS

CONSISTING OF

SOUTHERN RAILWAY. CINCINNATI. NEW ORLEANS & TEXAS PACIFIC. ALABAMA GREAT SOUTHERN. NEW ORLEANS & NORTHEASTERN. GEORGIA SOUTHERN & FLORIDA. NORTHERN ALABAMA. HARRIMAN & NORTHEASTERN. NEW ORLEANS TERMINAL CO.. ST. JOHNS RIVER TERMINAL CO.. AND MOBILE & OHIO RAILWAYS

Knoxville, Tennessee
February 20, 1940

Mr. George H. Dugan
Ass't Vice President
Southern Railway System Bldg.
Washington, D. C.

Dear Sir:

"This letter is being written upon instructions of the chief Executives of our respective organizations of the Railway Employes' Department of the American Federation of Labor, and is fully concurred in by all of the undersigned.

"Effective from this date we, the undersigned, agree that no general chairman, or other officer, representative or member of any of the organizations signatory hereto, will individually request management to take work from one craft and give it to another craft.

"We further agree that we will find a way to reach an agreement and settle any disputes that may arise between any two crafts signatory hereto, involving jurisdiction of work, and when such dispute has thus been settled, then request will be presented to management for conference to negotiate the acceptance by management of the settlement thus made.

"We further agree to, and recognize that each craft shall perform the work which was generally recognized as work belonging to that craft prior to the introduction of any new processes, and that the introduction of a new process does not give any craft the right to claim the exclusive use of a process, or a tool in order to secure for itself work which it did not formerly perform.

"In the event of any disagreement between two or more crafts as to the proper application of the above rule, then the craft performing the work at the time of the change of the process or tool shall continue to do the work until the organizations involved have settled the dispute and the System Federation signatory hereto has presented such settlement to management, requested a conference and negotiated an agreement for acceptance of such settlement by management.

"As the duly authorized representatives of our respective organizations, we hereby request that you, on behalf of the management will accept and agree to carry out your part of the above policy to which we have agreed.

"We shall be glad to meet you if necessary on date and place suggested by you.

"When an agreement on this question has been arrived at, we desire that you furnish necessary copies of same to the proper officers and representatives of management, and we will furnish copies of same to the Chief Executives of our respective organizations, and they will furnish copies of same to all of the local lodges on our property, so that the entire membership may be advised and directed to comply with the agreement just made.

"The Chief Executives of our respective organizations, with our full support and pledge of hearty cooperation, are making this proposal in an earnest effort to eliminate as promptly as possible any and all friction that may result from jurisdictional disputes between our various organizations. They and we urgently request you, in behalf of management, to agree with us on this program, recognizing that you will thus make a substantial contribution to improving the relations and increasing the cooperation between the management and the employees we have the honor to represent.

Very truly yours,"

W. W. Dyke
General Chairman, Carmen

L. C. Ritter
General Chairman, Machinists

T. M. Melton
General Chairman, Blacksmiths

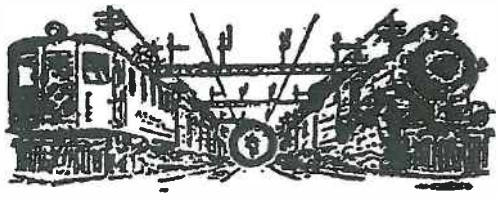
T. M. Melton
Repr. Firemen & Oilers

Norman Dugger
General Chairman, Boilermakers

R. R. Laugherty
General Chairman,
Sheet Metal Workers

International Brotherhood of Electrical Workers

BARNEY R. ACUFF
General Chairman
Route 13
FOUNTAIN CITY, TENN.



SYSTEM COUNCIL
NUMBER SIX

SOUTHERN RAILWAY
AND ALLIED LINES

February 23, 1940.

Mr. George H. Dugan,
Assistant to Vice President,
Southern Railway System,
Washington, D. C.

Dear Sir:

In re the letter filed with you by certain organizations of System Federation No. 21 of Southern Railway and Allied Lines, the undersigned, General Chairman of the International Brotherhood of Electrical Workers on this property desires to advise you that our Brotherhood is not a party to the so-called "Agreement for Settlement of Jurisdictional Disputes" between certain organizations of this System Federation.

It is our understanding and we request management compliance therewith that questions of a jurisdictional nature between crafts will not be decided by management. However, we desire to direct your attention to the provisions of the agreement reading as follows:

> "This understanding is intended only to settle above jurisdictional dispute between two organizations parties to such dispute and the settlement thereof, and is not to be construed as affecting the rights or jurisdiction of any other craft; and further, this understanding is to apply only on this railroad and is not to be considered or used as a precedent affecting any other railroad."

We agree with and will conform to the indicated attitude of the other General Chairmen, i. e. they will not nor a representative of the respective organizations will not individually request you or any other officers of the carrier to take work that is being performed by one craft and give it to another craft unless both crafts concerned and affected are in agreement.

We also desire to assure you that the representatives of our Brotherhood on this property and in the transportation industry as a whole are not of the opinion that the Jurisdictional Agreement entered into by the other crafts is workable. However, be assured that any questions or problems concerning jurisdiction of work between the electrical workers, their apprentices and helpers on this road will be handled by the undersigned and / or our representatives with any other craft in a manner giving matured

judgement to the accurate facts that should be used in the application of fundamentals that would lead to the sound solution of such questions and problems.

Thanking you for your anticipated cooperation in this matter - with best wishes, I am

Sincerely yours,

Barney R. Acuff

Barney R. Acuff
General Chairman

CC -Mr. B. M. Jewell
Mr. D. W. Tracy
Mr. C. J. McGlogan
Mr. R. R. Laugherty

Copy

RAILWAY EMPLOYES' DEPARTMENT

April 24, 1944

14B-13-0-Mach & E.W.
14B-13-0-Clks & E.W.
14B-13-0-Mach & B.M.
14B-13-0-Car. & SMW
14B-13-0-SMW & BM
14B-13-0-SMW & Mach

Subject: Southern Railway handling jurisdictional disputes.

All General Chairmen, Local Chairmen and Members of the Seven Railway Employes' Dept. Organizations employed on the Southern Railway System Lines.

Dear Sirs and Brothers:

We are heading for disaster on the Southern Railroad if all of our people do not stop their bickering, wrangling and striking over jurisdiction.

It would be bad enough during peace time and is absolutely indefensible while we are fighting a war.

Since February 15, 1940 we have had a jurisdictional agreement which provides that under no circumstances shall any officer or member of any craft approach Management for the purpose of having work transferred from one craft to another: adherence to this basic principle is absolutely necessary if we are to carry out the rest of the plan. It will also do much to restore harmony among the crafts and from this day forward we hope all concerned will conduct themselves accordingly. Any and all existing disputes can and must be submitted to the respective General Chairmen who fully understand that they are obligated to confer with each other and endeavor in good faith to settle all disputes. Those that fail of settlement are to be submitted to the respective general offices, all in accordance with the jurisdiction agreement. This entire procedure can and should be completed within sixty days.

We are not attempting to fix the responsibility for past failures or difficulties but there can be no excuse for any one failing to understand or comply with the instructions set out above, and there will be no difficulty in fixing the responsibility for failure to cooperate in complying fully with these instructions.

Surely everyone will agree that strict and wholehearted compliance will constitute a long step in the direction of restoring harmony in the System Federation.

This is issued by the unanimous action of all seven members of the Executive council of the Railway Employes' Department.

By order of the Executive council.

Sgd. H.W. Brown
H.W. Brown, Int'l. Pres.,
Int'l. Assn. Of Machinists.

Sgd. L.M. Wicklein
L.M. Wicklein, Gen. Vice-Pres.,
Sheet Metal Workers' Int'l Assn.

Sgd. C.J. MacGowan
C.J. MacGowan, Int'l. Pres.
Int'l. Bro. Of Boilermakers,
Iron Ship Builders & helpers
of America.

Sgd. J.J. Duffy
J.J. Duffy, Int'l Vice Pres.
Int'l. Bro. Of Electrical Workers

Sgd. Roy Horn
Roy Horn, Int'l. President,
Int'l. Bro. of Blacksmiths,
Drop Forgers & Helpers.

Sgd. Felix H. Knight
Felix H. Knight, Gen'l. Pres.,
Bro. Railway Carmen of America.

Sgd. George Wright
George Wright, Vice President,
Int'l. Bro. Of Firemen, Oilers,
Helpers, Roundhouse and Railway
Shop Laborers.

W. W. DYKE, PRESIDENT
313 E. MINNESOTA AVE.
KNOXVILLE, TENN.
PHONE 2-9765

T. ELTON, VICE-PRESIDENT
3 CHAMBERLAIN AVE.
CHATTANOOGA, TENN.
PHONE 2-4945

B. R. ACUFF, SECY-TREAS.
ROUTE 18
FOUNTAIN CITY, TENN.
PHONE 6-1649

SYSTEM FEDERATION NO. 21

RAILWAY EMPLOYES DEPARTMENT,
AMERICAN FEDERATION OF LABOR

SOUTHERN RAILWAY SYSTEM
GULF, MOBILE AND OHIO RAILROAD

EXECUTIVE BOARD

NORMAN DUGGER
218 S. CENTRAL AVE.
SOMERSET, KY.
PHONE 306

R. R. LAUGHERTY
503 E. CHURCHWELL AVE.
KNOXVILLE, TENN.
PHONE 2-4803

L. C. RITTER
BOX 102
SOMERSET, KY.
PHONE 81

At Knoxville, Tenn.
April 29, 1944

Mr. C. D. Mackay,
Asst. Vice President,
Southern Railway System,
Washington, D. C.

Dear Sir:

It is our judgment that the Memorandum of June 1, 1932 and that the "Memorandum of Understanding" of March 16, 1943, while made in good faith, have not and will not serve the purpose for which they were intended. We, therefore, request they be terminated.

We believe that the interpretations placed on these Memoranda and the manner in which they have been applied has prevented the successful operation of the Jurisdictional Agreement of February 15, 1940 between our organizations and that we must henceforth concentrate on the fulfillment of that agreement without revision of any kind.

As evidence of our desire to effectuate that policy we are enclosing copy of letter addressed to the "Officers and Members of System Federation No. 21", dated April 29, 1944 and signed by the Executive Board of System Federation No. 21. We also enclose copy of letter signed by the Executive Council of the Railway Employes' Department, dated at Chicago, Ill., April 24, 1944.

It is our hope and determination that under this plan much of our jurisdictional strife can be eliminated.

We call your attention to our letter of February 20, 1940 and particularly to the provisions that there should be no transfer of work from one craft to another except by agreement between the crafts. Our efforts to stop our people from making such requests on management will be intensified. We respectfully suggest and urge that you see to it that every officer and subordinate official on the Southern Railroad who has contact with this situation, fully understands that any member of any of these crafts who makes a demand or request for the transfer of work is acting in defiance of his organization and that his request must be denied.

Likewise no officer or subordinate official of the Railroad should under any circumstances initiate the transfer of any work from one craft to another.

This letter and the enclosures will indicate that the authorities within our organizations are striving to eliminate the jurisdictional strife on the Southern Railroad and with your cooperation as herein indicated we hope that substantial results will be forthcoming.

Very truly yours,

EXECUTIVE BOARD MEMBERS
SYSTEM FEDERATION NO. 21.

Machinists, General Chairman

Boilermakers, General Chairman

Blacksmiths, General Chairman

S. M. W. General Chairman

Elec. Wkrs. General Chairman

Carmen, General Chairman

SYSTEM FEDERATION NUMBER TWENTY-ONE
RAILWAY EMPLOYES' DEPARTMENT, A.F.OF L.

Knoxville, Tennessee
April 29, 1944

TO THE OFFICERS AND MEMBERS OF
SYSTEM FEDERATION NO. 21, EM-
PLOYED ON SOUTHERN SYSTEM LINES,
ONLY.

Dear Sirs and Brothers:

We were in conference with Management on March 8th and 9th, 1944 in connection with the matter of jurisdictional disputes.

During that conference, the Management complained bitterly of the fact that there were entirely too many jurisdictional disputes on the Southern Railway, many of which involved small matters; and, in addition, that our letter of February 20, 1940, which was accepted in good faith by Management was being continually violated by the Crafts. We wrote you fully on March 30th, 1943, enclosing copies of the referred to letters in connection with this matter, and we urge that you take letter out and read it and the attachments thereto carefully. In that letter, we urged on you to see that our pledge to Management was kept and that the understandings be fully complied with.

Specifically, we call your attention to the following: In the second paragraph of the letter of February 20th, 1940, it was agreed that no general chairman, or other officer, representative or member of any of the organizations signatory hereto, will individually request management to take work from one craft and give it to another craft. While the Electrical Workers were not signatory to the letter of February 20th, 1940, they signed a letter of February 23rd, 1940, in which they stipulated in third paragraph:

> "We agree with and will conform to the indicated attitude of the other General Chairmen, i.e. they will not nor a representative of the respective organizations will not individually request you or any other officers of the carrier to take work that is being performed by one craft and give it to another craft unless both crafts concerned and affected are in agreement."

Despite these assurances, local committees are approaching Foremen and Master Mechanics and insisting that another Craft is performing their work and it must be given to them. This practice must stop as it is in violation of our agreement with Management. If one craft thinks another craft is performing its work, the local chairman of that craft should approach the local chairman of the craft which they consider is performing their work and handle the matter with him. If they cannot reach a settlement and they desire to prosecute a jurisdictional dispute, they should do so by submitting a joint letter with statement of facts to the General Chairmen of the involved crafts in triplicate. (In the event the local chairmen cannot agree upon a joint statement of facts, then each will make his own statement in triplicate and attach to joint letter).

It is our intention and desire that our agreements be carried out in good faith, and we advise you now that these violations cannot be continued.

We trust that you will, in the future, be governed by the advice which we have given to you and see that Management cannot make further justified complaints against us for failure to keep our agreements.

In this connection, please understand that the machinery provided in the Department's Circular of February 1st, 1940 and the Agreement effective February 15, 1940, are not for the purpose of creating jurisdictional disputes, but are solely for the purpose of disposing of such disputes as properly arise.

The situation which has existed on the System properties for the past several months does not help promote efficiency and good spirit, and not only hurts the Company but hurts our Organization and you should be big enough to settle small disputes among yourselves, men of good conscience and good will should do so. It is our desire that each of you approach these situations in a spirit of fairness and reasonableness and where possible dispose of these questions; only submitting those which you are unable to settle among yourselves.

With kindest wishes, we are

Fraternally yours,

EXECUTIVE BOARD OF SYSTEM FEDERATION NO. 21.

Norman Dugger
General Chairman, Boilermakers

W. W. Ogle
General Chairman, Carmen

R. K. Laughlin
General Chairman, Sheet Metal Wkrs.

J. M. Mattern & J. O. Grimsley
General Chairman, Blacksmiths

C. E. Pettee
General Chairman, Machinists

Barney R. Acuff
General Chairman, Elec. Wkrs.

Washington, D. C., June 15, 1944. *

H-267-40

Mr. Stewart:
Mr. Shults:
Mr. Trexler:

I attach for your information copies of my letter of even date to Shop Crafts General Chairmen in response to their letter of April 29, 1944, relating to method of handling jurisdictional disputes, with copy of letter from Grand Officers dated April 24, 1944, and copy of letter from General Chairmen to officers and members of system Federation No. 21, all of which are self-explanatory. I invite your particular attention to the following:

1. The Memorandum of June 1, 1932, and Memorandum of Understanding of March 16, 1943, relating to "status quo ante" are cancelled effective June 15, 1944. They should not hereafter be used in connection with any pending case or one which arises in future involving jurisdiction.

2. Your particular attention is invited to the next to last and last paragraphs on page 1 of the General Chairmen's letter of April 29, 1944. If we hope to shear ourselves of those jurisdictional disputes and make them, as they should be and as we have agreed they are, the responsibility of the organizations, careful observance by our officers of the provisions of these two paragraphs is essential. Please see that all concerned understand this.

A sufficient number of copies of this letter and enclosures are being sent you to put them in the hands of all concerned. Please see that this is done.

Under the provisions of the attached we will initially assign the work and if there is dispute it is to be handled between the Crafts and not with us until settled. As definitely specified in the letter of April 29, 1944, from the General Chairmen, if our officers are approached on such matters, we must decline to handle.

CDM

Copy to -
Mr. Keister:
Mr. Adams:
Mr. Hungerford:

CDM

SOUTHERN RAILWAY SYSTEM

Operating Department

Washington, D. C.

June 15, 1944. *
H-267-40

Mr. W.W. Dyke, General Chairman, Carmen, Knoxville, Tenn.
Mr. T.M. Melton, General Chairman, Blacksmiths, Chattanooga, Tenn.
Mr. Norman Dugger, General Chairman, Boilermakers, Somerset, Ky.
Mr. B.R. Acuff, General Chairman, Electrical Workers, Knoxville, Tenn.
Mr. L.C. Ritter, General Chairman, Machinists, Somerset, Ky.
Mr. R.R. Laugherty, Gen. Chairman, Sheet Metal Workers, Knoxville, Tenn.

Gentlemen:

I acknowledge receipt of your letter of June 9, 1944, on the subject of jurisdictional disputes. While I am still persuaded that the wiser course would be to enter into the memorandum which I proposed, as you are averse to that I hereby advise you:

That in the confidence of you and your membership carrying out the assurances given in your letter of April 29, 1944, and instructions to membership as contained in letter of like date addressed to "Officers and Members of System Federation No. 21", the Memorandum of June 1, 1932, and Memorandum of Understanding of March 16, 1943, are cancelled effective this date as per your request.

The procedure outlined in your letter of April 29, 1944, and attachments is acceptable to us.

These understandings are, of course, subject to termination by notice provided in the Railway labor Act.

I attach copy of my letter of even date to Superintendents of Motive Power.

Very truly yours,

(signed) C. D. MACKAY

Assistant Vice President

Appendix B

Union Shop Agreement

UNION SHOP

AGREEMENT

Between

SOUTHERN RAILWAY COMPOANY
THE CINCINNATI, NEW ORLEANS AND TEXAS PACIFIC RAILWAY COMPANY
HARRIMAN AND NORTHEASTERN RAILROAD COMPANY
THE ALABAMA GREAT SOUTHERN RAILROAD OCMPANY
(including Woodstock and Blocton Railway Company)
NEW ORLEANS AND NORTHEASTERN RAILROAD COMPANY
THE NEW ORLEANS TERMINAL COMPANY
GEORGIA SOUTHERN AND FLORIDA RAILWAY COMPANY
ST. JOHNS RIVER TERMINAL COMPANY

AND

Employees of each such company as represented by the Railway Labor Organization signatory hereto, through the Employees' National Conference Committee, Seventeen Cooperating
Railway Labor Organizations

Effective April 15, 1953

AGREEMENT

This Agreement made this 27th day of February, 1953, by and between Southern Railway Company, The Cincinnati, New Orleans and Texas Pacific Railway Company, Harriman and Northeastern Railroad Company, The Alabama Great Southern Railroad Company (including Woodstock and Blocton Railway Company), New Orleans and Northeastern Railroad Company, The new Orleans Terminal Company, Georgia Southern and Florida Railway Company and St. Johns River Terminal Company, respectively (hereinafter referred to as "Carrier"), and employees of each such company as represented by the Railway Labor Organizations signatory hereto, through the Employees' National Conference Committee, Seventeen Cooperating Railway Labor Organizations, witnesseth:

IT IS AGREED:

Section 1.

In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the Carrier now or hereafter subject to the rules and working conditions agreements between the parties hereto, except as hereinafter provided, shall, as a condition of their continued employment subject to such agreements, become members of the organization party to this agreement representing their craft or class within sixty (60) 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 (30) days within a period of twelve (12) consecutive calendar months. Nothing in this agreement shall alter, enlarge or otherwise change the coverage of the present or future rules and working conditions agreement.

Section 2.

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

Section 3.

(a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty (30) days or more, are (1) furloughed on account of force reduction, (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 employee return to any service covered by the said Rules and Working Conditions Agreements and continue therein thirty (30) 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 five (5) calendar days from date of their return to such service.

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

(c) Employees who retain seniority under the rules and working conditions agreements governing their class or craft and who, for reasons other than those specified in subsections (a) and (b) of this Section 3, 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 any 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 member ship of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining member ship. 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 organization unit.

Section 5.

(a) Each employee covered by the provisions of this agreement shall be considered by the carrier to have met the requirements of the agreement unless and until such carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this agreement and who the organization wherefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the carrier and the organizations involved and the form shall make provision for specifying the reasons for the allegation of non-compliance. Upon receipt of such notice, the carrier will, within then (10) calendar days of such receipt, so notify the employee concerned in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified who disputes the fact that he has failed to comply with the terms of this agreement, shall within a period of then (10) calendar days of the date of receipt of such notice, request the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him a hearing. Upon receipt of such request the carrier shall set a date for hearing which shall be held within ten (10) calendar days of the date of receipt of request therefore. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

In the event the employee concerned does not request a hearing as provided herein, the carrier shall proceed to terminate his seniority and employment under the Rules and Working Conditions Agreement not later than thirty (30) calendar days from receipt of the above described notice from the organization, unless the carrier and the organization agree otherwise in writing.

(b) The carrier shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this agreement and shall render a decision within twenty (20) calendar days from the date that the hearing is closed, and the employee and organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this agreement, his seniority and employment under the rules and working conditions agreement shall be terminated within twenty (20) calendar days of the date of said decision except as hereinafter provided or unless the carrier and the organization agree otherwise in writing.

If the decision is not satisfactory to the employee or the organization it may be appealed in writing, by Registered Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this agreement. Such appeals must be received by such officer within ten (10) calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty (20) calendar days of the date notice of appeal is received, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty (20) 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 (10) calendar days from the date of the decision the organization or the employee involved requests the selection of a neutral person to decide the dispute as provided in Section 5(c) below. Any request for selection of a neutral person as provided in Section 5 (c) below shall operate to stay action on the termination of seniority and employment until not more than ten (10) calendar days from the date decision is rendered by the neutral person.

(c) If within ten (10) calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this agreement or has designated representative, the Chief Executive of the organization or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person 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 (30) 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 t Registered Mail, Return Receipt Requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

(d) The time periods specified in this Section 5 may be extended in individual cases by written agreement between the carrier and the organization.

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

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

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

Section 6.

Other provisions of this agreement to the contrary notwithstanding, the carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The carrier may not, however, retain such employee in service under the provisions of this Section 6 for a period in excess of sixty (60) calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety (90) 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 provision of this Section 6 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 period 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 provision of this agreement or whose employment is extended under Section 6 shall have not time or money claims by reason thereof.

If the final determination under Section 65 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 alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the sixty (60) or ninety (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 parities hereto shall be used as the basis for a grievance or time or money claim 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 service shall give rise to no liability against the carrier in favor of the organization or other employee 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 provision 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 a the result of such improper, unlawful, or unenforceable termination of seniority and employment; provided however, that this Section 8 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 a carrier acts in collusion with any employee; provided further, that the aforementioned liability shall not extend to the expense of the carrier in defending suits by employees who seniority and employment are terminated by the carrier under the provision of this agreement.

Section 9.

An employee whose employment is terminated as a result of noncompliance with the provision 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 Organizations 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 a written assignment to the Organization of such membership dues, initial 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 provision of subsection (a) of this section shall not become effective unless and until the Carrier and the Organization shall, as a result of further negotiations

pursuant to the recommendations of Emergency Board No. 98, agree upon the terms and conditions under which making said deductions, the amounts to be deducted, the form, procurement and filing of authorization certificates, the frequency of deduction s, the priority of said deductions with other deduction now or hereafter authorized, the payment and distributions of amounts withheld and any other matters pertinent thereto.

Section11.

This agreement shall become effective on April 15, 1953, and is in full and final settlement of notices served upon the carriers by the organizations, signatory hereto, on or about February 5, 1951. It shall be construed as a separate agreement by and on behalf of each carrier party hereto and those employees represented by each organization on each of said carriers as heretofore stated. This agreement will remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Washington, DC, this 27th day of February 1953.

AGREEMENT

between

SOUTHERN RAILWAY COMPANY
THE CINCINNATI, NEW ORLEANS AND TEXAS
PACIFIC RAILWAY COMPANY
THE ALABAMA GREAT SOUTHERN RAILROAD COMPANY
NEW ORLEANS AND NORTHEASTERN RAILROAD COMPANY
THE NEW ORLEANS TERMINAL COMPANY
GEORGIA SOUTHERN AND FLORIDA RAILWAY COMPANY
ST. JOHNS RIVER TERMINAL COMPANY

and their employees
represented by

SHEET METAL WORKERS INTERNATIONAL ASSOCIATION
INTERNATIONAL ASSOCIATION OF ELECTRICAL WORKERS
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
BROTHERHOOD RAILWAY CARMEN OF THE UNITED STATES AND CANADA
INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS & HELPERS

WHEREAS, question has been raised concerning the intent of Section 2 of the Union Shop Agreement dated February 27, 1953 as it relates to student mechanics employed under the May 6, 1971 Agreement in that said student mechanics occupy positions which are not subject to the bulletining and displacement rules of the scheduled Agreement; and

WHEREAS, it is desired that there be no misunderstanding concerning applicability of the Union Shop Agreement to said student mechanics:

IT IS THEREFORE MUTALLY AGREED AS FOLLOWS:

Student mechanics employed in their respective classes or crafts represented by the organization signatory hereto under the May 6, 1971

Agreement are subject to and are covered by the provisions of Section 1 of the union Shop Agreement dated February 27, 1953 and are therefore required to become members of the organization party hereto representing their craft or class subject to the terms and conditions set for in said Union Shop Agreement within 60 calendar days of the date they are first employed as student mechanics.

Signed at Washington, D.C. this 19th day of June, 1972.

For the Employees: For the Carriers:

Appendix C

Vacation Agreement

VACATION AGREEMENT

The following represents a synthesis in one document, for the convenience of the parties, of the current vacation provisions of the December 17, 1941 National Agreement and the amendments thereto provided in the National Agreements of December 7, 1981.

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.

PREAMBLE

This agreement is entered into between each of the carriers listed and defined in Appendices "A", "B" and "C," attached hereto and made a part hereof, represented respectively by their duly authorized Conference Committees, signatory hereto, as parties of the first part, and the employees of said carriers, represented by the organizations, signatory hereto, by their respective duly authorized executives, on behalf of which employees requests for vacations have been made as listed in the Appendices above identified, as parties of the second part, and is to be construed as a separate agreement by and between and in behalf of each of said carriers and its said employees for whom such requests have been made.

This agreement is executed as a result of the recommendations of the Emergency Board appointed by the President of the United States, September 10, 1941 and its report dated November 5, 1941 respecting the vacation with pay dispute, mediation proceedings between the parties with the participation and assistance of the Emergency Board and its supplementary report of December 5, 1941.

ARTICLES OF AGREEMENT

Insofar as applicable to employees covered by this agreement, the Vacation Agreement dated December 17, 1941, as amended, shall continue in effect and is further amended by the agreement of December 7, 1981, by substituting the following Article 1(c) and (d) for the corresponding provisions contained in Article III of the Agreement of December 6, 1978 to read as follows:

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 emp1oyee covered by this agreement who renders compensated service on not less than one hundred ten

(110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service, renders compensated service on not less than one hundred ten (110) days (133 days in the years 1950-59 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of two (2) of such years, not necessarily consecutive.

(c) 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 of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of twenty-five (25) of such years, not necessarily consecutive.

(f) Paragraphs (a), (b), (c), (d) and (e) hereof shall be construed to grant 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 a maximum of thirty (30) such days for an employee with fifteen (15) or more years of service with the employing carrier.

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

(j) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year preceding his return to railroad service had rendered no compensated service or had rendered compensated service on fewer days than are required to qualify for a vacation in the 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 on which he was in the Armed Forces, he will be granted, in the calendar year of his return to railroad service. a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d) or (e) and (i) hereof.

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

(1) An employee who is laid off and has no seniority date and no right 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 therefore to his employing officer a copy of such request to be furnished to his local or general chairman.

(m) (Amended, effective January 1, 1972) An employee's vacation period will not be extended by reason of any of the nine recognized holidays (New Year's Day,

Washington's Birthday, Good Friday, Decoration Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day and Christmas) or any day which by agreement has been substituted or is observed in place of any of the nine holidays enumerated above, or the employee's birthday, or any holiday which by local agreement has been substituted therefore falling within his vacation period.

2. Cancelled by agreement dated May 17, 1968.

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

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.

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 the 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.

(Effective January 1, 1955, Article 5 amended by adding the following):

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.

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.

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

8. (Effective September 1. 1960, Article 8 amended to read):

The vacation provided for in this agreement shall be considered to have been earned when the employee has qualified under Article I hereof. If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, 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 therefore under Article 1. If an employee thus entitled to vacation or vacation pay shall die, the vacation pay earned and not received shall be paid to such beneficiary as may have been designated or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

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

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

    (b) Where work of vacationing employees is distributed among two or more employees, such employees will be paid their own respective rates. However, not more than the equivalent of twenty-five percent of the work load of a given vacationing employee can be distributed among fellow employees without the hiring of a relief worker unless a larger distribution of the work load is agreed to by the proper local union committee or official.

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

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.

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 therefore under the provision hereof. However, if a relief worker necessarily is put to substantial extra expense over and above that which the regular employee on vacation would incur if he had remained on the job, the relief worker shall be compensated in accordance with existing regular relief rules.

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

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

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,

provided that such changes or understandings shall not be inconsistent with this agreement.

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 Carriers' Conference Committee 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.

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

    In Articles 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 Articles 1 and 2 hereof.

    (Effective January 1, 1973. Article 15 amended to read:

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, or 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.

16. This agreement is subject to approval of court with respect to carriers in hands of receivers or trustees.

SIGNED AT CHICAGO, ILLINOIS. THIS 17th Day of December 9, 1941.

(Signatures and Appendices A, B and C are not here reproduced.)

Appendix D

Personal Leave

December 11, 1981 National Mediation Agreement

ARTICLE X - PERSONAL LEAVE

Section 1

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

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

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

Section 2

(a) Personal leave days provided in Section 1 may be taken upon 48 hours' advance notice from the employee to the proper carrier officer provided, however, such days may be taken only when consistent with the requirements of the carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.

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

(c) The personal leave days provided in Section 1 shall be forfeited if not taken during each calendar year. The carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The carrier will have the right to distribute work on a position vacated among other employees covered by the agreement with the organization signatory hereto.

Section 3

This Article shall become effective on January 1, 1982 except on such carriers where the organization representative may elect to preserve existing local rules or practices pertaining to personal leave days and so notifies the authorized carrier representative on or before such effective date.

Appendix E

Bereavement Leave

December 2, 1978 National Agreement

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

This Article shall become effective thirty (30) days after the date of this Agreement except on such Carriers where the organization representative may elect to preserve existing rules or practices and so notify the authorized Carrier representative on or before such effective date.

Bereavement Leave

Q-1: How are the three calendar days to be determined?

A-1: An employee will have the following options in deciding when to take bereavement leave:

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

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

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

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

A-2: Three days for each separate death; however, there is no pyramiding where a second death occurs within the three–day period covered by the first death.

Example: Employee has a work week of Monday to Friday – off-days of Saturday and Sunday. His mother dies on Monday and his father dies on Tuesday. At a maximum, the employee would be eligible for bereavement leave on Tuesday, Wednesday, Thursday and Friday.

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

A-3: A maximum of two days.

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

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

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

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

Appendix F

Holidays

AGREEMENT AND MEMORANDUM DATED AUGUST 21, 1954
AND LETTER OF UNDERSTANDING DATED AUGUST 31, 1954
BETWEEN RAILROADS REPRESENTED BY THE
EASTERN, WESTERN AND SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEES
AND THE EMPLOYEES OF SUCH RAILROADS REPRESENTED BY THE
EMPLOYES ' NATIONAL CONFERENCE COMMITTEE,
FIFTEEN COOPERATING RAILWAY LABOR ORGANIZATIONS.

Note: These documents exclude employees represented by the Hotel and Restaurant Employees and Bartenders International Union.)

and

AGREEMENT AND MEMORANDUM DATED AUGUST 21, 1954
BETWEEN RAILROADS REPRESENTED BY THE
EASTERN, WESTERN AND SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEES
AND THE EMPLOYEES OF SUCH RAILROADS REPRESENTED BY THE
HOTEL AND RESTAURANT EMPLOYEES AND BARTENDERS INTERNATIONAL UNION.

ARTICLE II - HOLIDAYS

Section 1 - Effective May 1, 1954, each regularly assigned hourly and daily rated employee shall receive eight hours' pay at the pro rata hourly rate of the position to which assigned for each of the following enumerated holidays when such holiday falls on a workday of the workweek of the individual employee:

New Year's Day
Washington's Birthday
Decoration Day
Fourth of July
Labor Day

Thanksgiving Day
Christmas

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 169-1/3 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.

Section 2(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.

Section 4 - Provisions in existing agreements with respect or in excess of the seven holidays referred to in Section 1 hereof, shall continue to be applied without change.

Section 5 - Nothing in this rule shall be construed to change existing rules and practices thereunder governing the payment for work performed by an employee on a holiday.

MEDIATION AGREEMENT, CASES A-7127 AND A-7128,
DATED FEBRUARY 4, 1965
between
RAILROADS REPRESENTED BY THE
NATIONAL RAILWAY LABOR CONFERENCE

and the

EASTERN, WESTERN AND SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEES
and their employees represented by the
International Association of Machinists
Sheet Metal Workers' International Association
International Brotherhood of Electrical Workers

MEDIATION AGREEMENT

Cases A-7127 and A-7128

This Agreement made this 4th 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 International Association of Machinists, Sheet Metal Workers' International Association, and the International Brotherhood of Electrical Workers signatory hereto, witnesseth:

ARTICLE II - HOLIDAYS

Article II of the Agreement of August 21, 1954, as amended by the Agreement of August 19, 1960, insofar as applicable to the employees covered by this Agreement is hereby further amended by the addition of the following Section 6:

Section 6 - Subject to the qualifying requirements set forth below, effective with the calendar year 1965 each hourly, daily and weekly rated employee shall receive one additional day off with pay, or an additional day's pay, on each such employee's birthday, as hereinafter provided.

(a) For regularly assigned employees, if an employee's birthday falls on a work day of the workweek of the individual employee he shall be given the day off with pay; if an employee's birthday falls on other than a work day of the workweek of the individual employee, he shall receive eight hours' pay at the pro rata rate of the position to which assigned, in addition to any other pay to which he is otherwise entitled for that day, if any.

(b) For other than regularly assigned employees, if an employee's birthday falls on a day on which he would otherwise be assigned to work, he shall 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 an employee's birthday 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 his birthday, in addition to any other pay to which he is otherwise entitled for that day, if any.

(c) A regularly assigned employee shall qualify for the additional day off or pay in lieu thereof if compensation paid him by the carrier is credited to the work days immediately preceding and following his birthday, or if employee is not assigned to work but is available for service on such days. If the employee's birthday falls on the last day of a regularly assigned employee's work-week, the first work day following his rest days shall be considered the work day immediately following. If the employee's birthday falls on the first work day of his workweek, the last work day of the preceding workweek shall be considered the work day immediately preceding his birthday.

(d) Other than regularly assigned employees shall qualify for the additional day off or pay in lieu thereof, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding his birthday, and) he has had a seniority date for at least 60 calendar days or has 60 calendar days of continuous active service preceding his birthday beginning with the first day of compensated service, provided employment was not terminated prior to his birthday by resignation, for cause, retirement, death, non-compliance with a union shop agreement, or disapproval of application for employment, and (3) if on the workday preceding and the workday following the employee's birthday he satisfies one or the other of the following conditions:

(i) Compensation for service paid by the carrier is credited; or

(ii) Such employee is available for service.

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

The workweek for other than regularly assigned employees shall be Monday to Friday, both days inclusive, except that any such employee who is relieving a regularly assigned employee on the same assignment on both the workday preceding and the workday following his birthday 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 his birthday as apply to the employee whom he is relieving.

For other than regularly assigned employees, whose hypothetical work-week is Monday to Friday, both days inclusive, if his birthday falls on Friday, Monday of the succeeding week shall be considered the workday immediately following. If his birthday falls on Monday, Friday of the preceding week shall be considered the workday immediately preceding his birthday.

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

(e) In addition to the wage adjustments provided for in Article I of this Agreement, effective January 1, 1965, 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.

MEDIATION AGREEMENT, CASE A-9049,
DATED OCTOBER 7, 1971
BETWEEN
RAILROADS REPRESENTED BY THE
NATIONAL RAILWAY LABOR CONFERENCE

AND THE

EASTERN, WESTERN AND SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEES
AND THEIR EMPLOYEES REPRESENTED BY THE
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
BROTHERHOOD RAILWAY CARMEN OF THE UNITED STATES AND CANADA
OPERATING THROUGH THE
RAILWAY EMPLOYES' DEPARTMENT, AFL-CIO

Case A-9049

MEDIATION AGREEMENT

This agreement made this 7th day of October, 1971, 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 International Association of Machinists and Aerospace Workers, the International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers, the International Brotherhood of Electrical Workers, and the Brotherhood Railway Carmen of the United States and Canada, signatory hereto, operating through the Railway Employes' Department, AFL-CIO, witnesseth:

IT IS AGREED:

ARTICLE II- HOLIDAYS

Section 1 - Effective January 1, 1972, Article II of the Agreement of August 21, 1954, as amended, insofar as applicable to the employees covered by this Agreement, is hereby further amended in the following respects:

(a) The preamble paragraph of Article II, Section 1 of the Agreement of August 21, 1954, as amended by the Agreement of August 19, 1960 and the Agreement of September 2, 1969, is amended to read as follows:

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
Washington's Birthday
Good Friday
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
Christmas

provided that on railroads on which some holiday other than Good Friday has been substituted, by agreement, for the birthday holiday, unless the employees now desire to have Good Friday included as a holiday in place of such holiday which has been substituted for the birthday holiday such substitution will continue effective, and Good Friday will be eliminated from the holidays enumerated above and from the provisions of this Article II which follow.

(b) Article II, Section 4 of the Agreement of August 21, 1954 is amended to read as follows:

Section 4 - Provisions in existing agreements with respect to holidays in excess of the eight holidays referred to in Section 1 hereof shall continue to be applied without change.

(c) Article II, Section 5 of the Agreement of August 21, 1954, as amended by the Agreement of September 2, 1969, is amended to read as follows:

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 in the same manner as to other holidays listed or referred to therein.

(b) All rules, regulations or practices which provide that when a regularly assigned employee has an assigned relief day other than Sunday and one of the holidays specified therein falls on such relief day, the following assigned day will be considered his holiday, are hereby eliminated.

(d) Article II, Section 6 of the Agreement of August 21, 1954, which was added by the Agreement of November 21, 1964 and the Agreement of February 4, 1965, 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 21, 1964 and the Agreement of February 4, 1965, 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. Effective January 1, 1972, weekly rates shall be adjusted by adding the equivalent of 8 pro rata hours to the annual compensation and a new weekly rate established in the same manner as under Article II, Section 2 of the August 21, 1954 Agreement. The hourly factor will be correspondingly increased and

overtime rates will be computed accordingly. This adjustment will not apply to any weekly rates of pay which may have been earlier adjusted to include pay for the birthday holiday.

Section 2 - Effective January 1, 1973, Article II of the Agreement of August 21, 1954, as last amended by Section 1 of this Article II, insofar as applicable to the employees covered by this Agreement, is hereby further amended in the following respects:

(a) Veterans Day is added to the holidays enumerated in the preamble paragraph of Section 1.

(b) Section 5(a) is amended to read as follows:

(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 and to Veterans Day in the same manner as to other holidays listed or referred to therein.

(c) The references in Section 4 and in Section 7 to "eight holidays" are changed to "nine holidays."

(d) 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. Weekly rates shall be adjusted by adding the equivalent of 8 pro rata hours to the annual compensation and a new weekly rate established in the same manner as under Article II, Section 2 of the August 21, 1954 Agreement. The hourly factor will be correspondingly increased and overtime rates will be computed accordingly.

AGREEMENT
DATED MARCH 12, 1975
between railroads represented by the
NATIONAL CARRIERS' CONFERENCE COMMITTEE

and

employees of such railroads represented by the
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND
AEROSPACE WORKERS

AGREEMENT

THIS AGREEMENT, made this 12th day of March, 1975, by and between the participating carriers listed in Exhibit A attached hereto and hereby made a part hereof, and represented by the National Carriers' Conference Committee, and the employees shown thereon and represented by the international Association of Machinists and Aerospace Workers, witnesseth:

ARTICLE III - HOLIDAYS

In 1976, Christmas Eve (the day before Christmas is observed) will be added to the list of paid holidays for employees receiving holiday pay. Details of the holiday provision will be agreed upon by the parties by July 1, 1975.

MEDIATION AGREEMENT, CASE A-10800
DATED DECEMBER 11, 1981
between railroads represented by the
NATIONAL CARRIERS' CONFERENCE COMMITTEE

and

employees of such railroads represented by the
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

Case No. A-10800

THIS AGREEMENT, made this 11th day of December, 1981, by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the International Association of Machinists and Aerospace Workers, witnesseth:

IT IS HEREBY AGREED:

ARTICLE IV- HOLIDAYS

Effective January 1, 1983, Article II of the Agreement of August 21, 1954, as amended, insofar as applicable to the employees covered by this Agreement, is hereby further amended in the following respects:

(a) Add the day after Thanksgiving Day and substitute New Year's Eve (the day before New Year's Day is observed) for Veterans Day.

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

(c) In addition to their established monthly compensation, employees performing service on the day after Thanksgiving Day on a monthly rated position (the rate of which is predicated on an all-service performed basis) shall receive eight hours pay at the equivalent straight time rate, or payment as required by any local rule, whichever is greater.

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

(e) Except as specifically provided in paragraph (c) above, existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are extended to apply to the day after Thanksgiving Day and

New Year's Eve (the day before New Year's Day is observed) in the same manner as to other holidays listed or referred to therein.

Appendix G

Employee Protection

EMPLOYEE PROTECTION

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

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

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

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

Section 2

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

1) Transfer of work;

2) Abandonment, discontinuance of 6 months or more, or consolidation of facilities
or services or portions thereof;

3) Contracting of work;

4) Lease or purchase of equipment or component parts thereof, the installation, operation,
servicing or repairing of which is to be performed by the lessor or seller;

5) Voluntary or involuntary discontinuance of contracts;

6) Technological changes; and,

7) Trade-in or repurchase of equipment or unit exchange.

Section 3

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

Section 4

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

Section 5

An employee who is continued in service, but who is placed, as a result of a change in operations for any of the reasons set forth in Section 2 hereof, in a worse position with respect to compensation and rules governing working conditions, shall be

accorded the benefits set forth in Section 6(a), (b) and (c) of the Washington Job Protection Agreement of May 1936, reading as follows:

> "(a) Section 6(a). No employee of any of the carriers involved in a particular coordination who is continued in service shall, for a period not exceeding five years following the effective date of such coordination, be placed, as a result of such coordination, in a worse position with respect to compensation and rules governing working conditions than he occupied at the time of such coordination so long as he is unable in the normal exercise of his seniority rights under existing agreements, rules and practices to obtain a position producing compensation equal to or exceeding the compensation of the position held by him at the time of the particular coordination, except however, that if he fails to exercise his seniority rights to secure another available position, which does not require a change in residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated for the purposes of this section as occupying the position which he elects to decline.
>
> (b) The protection afforded by the foregoing paragraph shall be made effective whenever appropriate through what is hereby designated as a 'displacement allowance' which shall be determined in each instance in the manner hereinafter described. Any employee entitled to such an allowance is hereinafter referred to as a 'displaced' employee.
>
> (c) Each displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee and his total time paid for during the last twelve (12) months in which he performed service immediately preceding the date of his displacement (such twelve (12) months being hereinafter referred to as the test period) and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and average monthly time paid for, which shall be the minimum amounts used to guarantee the displaced employee, and if his compensation in his current position is less in any month in which he performs work than the aforesaid average compensation he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the test period."

Section 6

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

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

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

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

(b) For the purposes of this agreement the length of service of the employee shall be determined from the date he last acquired an employment status with the employing carrier and he shall be given credit for one month's service for each month in which he performed any service (an any capacity whatsoever) and twelve such months shall be credited as one year's service. The

employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

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

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

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

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

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

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

previous status and will be given a coordination allowance accordingly if any is due.

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

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

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

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

Failure without good cause to return to service in accordance with working agreement after being notified of position for which he is eligible and as provided in paragraphs (g) and (h).

Resignation.

Death

Retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally.

Dismissal for justifiable cause."

Section 7

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

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

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

> In the case of employees with less than one year's service, five days' pay, at the rate of the position last occupied, for each month in which they performed service will be paid as the lump sum.
>
> 3) Length of service shall be computed as provided in Section 7.
>
> 4) One month's pay shall be computed by multiplying by 30 the daily rate of pay received by the employee in the position last occupied prior to time of coordination."

Section 8

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

Section 9

Any employee who is retained in the service of the carrier or who is later restored to service after being eligible to receive a monthly dismissal allowance, who is required to change the point of his employment as a result of a change in the carrier's operations for any of the reasons set forth in Section 2 hereof, and is, therefore, required to move his place of residence, shall be accorded the protective benefits set forth in Section 10 of the Washington Job Protection Agreement of May 1936, reading as follows:

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

Section 10

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

"Section 11 (a). The following provisions shall apply, to the extent they are applicable in each instance, to any employee who is retained in the service of any of the carriers involved in a particular coordination (or who is later restored to such service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as a result of such coordination and is therefore required to move his place of residence:

1. If the employee owns his own home in the locality from which he is required to move, he shall at his option be reimbursed by his employing carrier for any loss suffered in the sale of his home for less than its fair value. In each case the fair value of the home in question shall be determined as of a date sufficiently prior to the coordination to be unaffected thereby. The employing carrier shall in each instance be afforded an opportunity to purchase the home at such fair value before it is sold by the employee to any other party.
2. If the employee is under a contract to purchase his home, the employing carrier shall protect him against loss to the extent of the fair value of any equity he may have in the home and in addition shall relieve him from any further obligations under his contract.
3. If the employee holds an unexpired lease of a dwelling occupied by him as his home, the employing carrier shall protect him from all loss and cost in securing the cancellation of his said lease.

(b) Changes in place of residence subsequent to the initial change caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this Section.
(c) No claim for loss shall be paid under the provisions of this section which is not presented within three years after the effective date of the coordination.
(d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of lease, or any other question in connection with these matters, it shall be decided through joint conference between the representatives of the employees and the carrier on whose line the controversy arises and in the event they are unable to agree, the dispute may be referred by either party to a board of three competent real estate appraisers, selected in the following manner:

One to be selected by the representatives of the employees and the carrier, respectively; these two shall endeavor by agreement within ten days after their appointment to select the third appraiser, or to select some person authorized to name the third appraiser, and in the event of failure

to agree then the Chairman of the Interstate Commerce Commission shall be requested to appoint the third appraiser. A decision of a majority of the appraisers shall be required and said
decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the salary of the appraiser selected by such party."

Section 11

When positions are abolished as a result of changes in the carrier's operations for any of the reasons set forth in Section 2 hereof, and all or part of the work of the abolished positions is transferred to another location or locations, the selection and assignment of forces to perform the work in question shall be provided for by agreement of the General Chairman of the craft or crafts involved and the carrier establishing provisions appropriate for application in the particular case; provided however, that under the terms of the agreement sufficient employees will be required to accept employment within their classification so as to insure a force adequate to meet the carrier's requirements. In the event of failure to reach such agreement, the dispute may be submitted by either party for settlement as hereinafter provided.

Section 12

Any dispute with respect to the interpretation or application of the foregoing provisions of Sections 1 through 11 of this Article (except as defined in Section 10) with respect to job protection, including disputes as to whether a change in the carrier's operations is caused by one of the reasons set forth in Section 2 hereof, or is due to causes set forth in Section 3 hereof, and disputes as to the protective benefits to which an employee or employees may be entitled, shall be handled as hereinafter provided.

Appendix H

Subcontracting

SUBCONTRACTING

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.

Article II, Subcontracting, of the September 25, 1964 National Agreement, as amended, is further amended as follows to implement the report and recommendations of Presidential Emergency Board No. 219, as interpreted and clarified by Special Board 102-29, and that report and recommendations as well as the questions and answers that interpret and clarify them are specifically incorporated herein by reference:

Article II Subcontracting

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

Section 1 Applicable Criteria

Subcontracting of work, including unit exchange, will be done only when genuinely unavoidable because (1) managerial skills are not available on the property but this criterion is not intended to permit subcontracting on the ground that there are not available a sufficient number of supervisory personnel possessing the skills normally held by such personnel; or (2) skilled manpower is not available on the property from active or furloughed employees; or (3) essential equipment is not available on the property; or (4) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or (5) such work cannot be performed by the carrier except at a significantly greater cost, provided the cost advantage enjoyed by the subcontractor is not based on a standard of wages below that of the prevailing wages paid in the area for the type of work being performed and provided further that if work which is being performed by railroad employees in a railroad facility is subcontracted under this criterion, no employees regularly assigned at that facility at the time of the subcontracting will be furloughed as a result of such subcontracting. Unit exchange as used herein means the trading in of old or worn equipment or component parts, receiving in exchange new, upgraded or rebuilt parts, but does not include the purchase of new equipment or component parts. As to the purchase of component parts which a carrier had been manufacturing to a significant extent, such purchases will be subject to the terms and conditions of this Article II.

Section 2 Advance Notice Submission of Data Conference

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

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

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

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

Section 3 Request for Information When No Advance Notice Given

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

Disputes concerning a carrier's alleged failure to provide notice of intent or to provide sufficient supporting data in a timely manner in order that the general chairman may reasonably determine whether the criteria for subcontracting have been met, also

may be submitted to a member of the arbitration panel, but not necessarily on an expedited basis. In the event the parties are unable to agree on a schedule for resolving such a dispute, the arbitrator shall establish the schedule.

Section 4 – Establishment of Subcontracting Expedited Arbitration Panels

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

Section 5 – Consist

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

Section 6 – Location

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

Section 7 – Referees

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

Section 8 – Filling Vacancies

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

Section 9 – Content of Presentations

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

Section 10 – Procedure at Board Meetings

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

Section 11 – Remedy

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

(b) If the arbitrator finds that the carrier violated the advance notice requirements of Section 2 [in non-emergency situations], the arbitrator shall award an amount equal to that produced by multiplying 50% of the man-hours billed by the contractor by the weighted average of the straight-time hourly rates of pay of the employees of the carrier who would have done the work, provided however that where the carrier is found to have both failed to consult and wrongfully contracted out work, the multiplier shall be 10% rather than 50%. The amounts awarded in accordance with this paragraph shall be divided equally among the claimants, or otherwise distributed upon an equitable basis, as determined by the arbitrator.

Section 12 – Final and Binding Character

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

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

Section 13 – Disputes Referred to Other Boards

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

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

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

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

* * * *

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

This refers to Article VI, Subcontracting, of the Imposed Agreement of this date and will confirm our understanding that Electrical Power Purchase Agreements (EPPAs) and similar arrangements are within the scope of the September 25, 1964 Agreement, as amended.

* * *

July 31, 1992
SL #11

This refers to Article VI, Subcontracting, of the Imposed Agreement of this date and will confirm our understanding that the question of whether work on TTX cars by TTX employees should be allowed on tracks leased from a carrier is to be treated in the same manner as EPPAs.

* * *

July 31, 1992
SL #12