AGREEMENT
BETWEEN THE
SOO LINE RAILROAD COMPANY
AND THE
NATIONAL CONFERENCE OF FIREMEN AND OILERS,
SERVICE EMPLOYEES INTERNATIONAL UNION

SCHEDULE OF RULES COVERING HOURS OF SERVICE,
RATES OF PAY AND WORKING CONDITIONS OF
STATIONARY ENGINEERS, FIREMEN AND OILERS,
ROUNDHOUSE AND SHOP LABORERS

REPRESENTED BY THE

NATIONAL CONFERENCE OF FIREMEN AND OILERS,
SERVICE EMPLOYEES INTERNATIONAL UNION

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Supersedes Schedule of August 15, 1985

Effective October 1, 1998

NON-DISCRIMINATION STATEMENT

It is the policy of the Carrier and the Union that the provisions of this agreement be applied to all employees covered by said agreement without regard to race, creed, color, age, sex, national origin, or physical handicap, except in those cases where a bona fide occupational qualification exists.

It is understood that the masculine terminology included herein is for purposes of convenience only and does not designate a sex preference.

The following rules constitute an agreement between the Soo Line Railroad Company and the National Conference of Firemen and Oilers, Service Employees International Union.

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RULE 1 – SCOPE

1. These rules shall govern the hours of service and working conditions of the following Mechanical Department employees:

   (a) Stationary Engineers (Steam)
   Stationary Firemen

   (b) Engine Watchmen
   Transfer and Turntable Operators
   Lubricator Fillers
   Inside Hostlers Helpers
   Coal Chute Operators
   Lead Laborers
   Unclassified Laborers, such as those performing service generally recognized as that of a laborer, including fueling, watering, sanding, washing, and wiping engines, sand house attendant, blacking front ends and fireboxes, icing refrigerator cars, cleaning and sweeping shops and enginehouses, cleaning cinder pits, supply men and other common labor work in and around locomotive, car shops, and power plants.

2. Firemen and Oilers shall perform the duties and work as set forth in this Classification of Work Rule.

   Sweep and wash floors in roundhouse, diesel, and car shops. Pick up scrap and waste materials in work areas in engine house, car shop, and repair yard. (This will not prohibit other craft employees from cleaning up their immediate work area and keeping it free from safety hazards.) Clean pits and sumps. Clean cars. Clean and supply cabooses and locomotives. Scrapping of engines, boilers, tanks, cars, and other machinery. Operate mechanical equipment in the performance of these duties.

   Fuel, sand, water, clean, wash, and wipe engines (excluding preparation for painting); operate conveyor for sand towers; unload fuel cars and sand cars; operate transfer and turntables in the movement of locomotives and cars for servicing the maintenance in and about the work areas of engine houses, shops, car repair tracks, roundhouse, and diesel and car shops.

   Operate motor equipment such as light cranes (excluding electrically operated cranes covered by the Electrical Workers' special rules). Motor trucks, tractors, pushing machines on and off rail, fork lifts, skids, and wagons used in the delivery of supplies and materials from storage areas outside of Stores

Department when in connection with work recognized as Firemen and Oilers.

Prepare solutions and operate cleaning machines used to clean exterior and compartment surfaces of locomotives, freight cars, and other equipment, not to include cleaning performed for preventative maintenance or in preparation for painting, spraying, or for repairs or modifications of such locomotives, cars, or equipment.

Assists hostler in movement of engines. Operate locomotives for servicing where hostlers are not assigned and laborers are on duty. Serve as Engine Watchmen when needed in shops, yards, and terminals.

Fire, oil machinery, and otherwise tend high pressure boilers and other equipment in connection with the operation of a steam power plant; stop, start, adjust, and otherwise operate machinery in the boiler room (none of the above to apply to plants used in connection with the generation of electricity); operate waste water treatment and disposal plants.

It is the intent of this classification of work rule to identify and preserve work performed by the Firemen and Oilers on the Soo Line prior to February 19, 1985, and to identify and preserve work performed by Firemen and Oilers on the Milwaukee Road prior to February 19, 1985, but will not expand or extend the Firemen and Oilers jurisdiction on the Soo Line Railroad (combined Soo Line and Milwaukee Road) to work performed prior to February 19, 1985, on the Milwaukee Road by other than Firemen and Oilers, nor to work performed prior to February 19, 1985 on the former Soo Line property by other than Firemen and Oilers.

If work generally recognized as Firemen and Oilers' work is omitted from this rule, it is not an admission that such work is not generally recognized as Firemen and Oilers' work.

RULE 2 – BASIC DAY

Except as otherwise provided for in these rules, eight (8) consecutive hours on any combination of work or single classification of work, exclusive of meal period, shall constitute a day's work.

RULE 3 – WORK WEEK

The expressions "positions" and "work" used in this Rule 3 refer to service, duties, or operations necessary to be performed the specified number of days per week, and not

to the work week of individual employees.

(a) General - There is hereby established, for all employees, except those covered by Rule 5, a work week of forty (40) hours, consisting of five days of eight hours each, with two consecutive days off in each seven; the work weeks may be staggered in accordance with the Carrier's operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing work week rule is subject to the provisions of this agreement which follow:

(b) Five-Day Positions - On positions the duties of which can reasonably be met in five days, the days off will be Saturday and Sunday.

(c) Six-Day Positions - Where the nature of the work is such that employees will be needed six days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.

(d) Seven-Day Positions - On positions which are filled seven days per week any two consecutive days may be the rest days with the presumption in favor of Saturday and Sunday.

(e) Regular Relief Assignments - All possible regular relief assignments with five days of work and two consecutive rest days will be established to do the work necessary on rest days of assignments in six or seven-day service or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under this agreement.

Assignments for regular relief positions may on different days include different starting times, duties and work locations for employees of the same class in the same seniority district, provided they take the starting time, duties and work locations of the employee or employees whom they are relieving.

(f) Deviation from Monday-Friday Week - If in positions or work extending over a period of five days per week, an operational problem arises which the Carrier contends cannot be met under the provisions of paragraph (b) of this rule and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, and if the parties fail to agree thereon, then if the Carrier nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim under this agreement.

(g) Nonconsecutive Rest Days - The typical work week is to be one with two consecutive days off, and it is the Carrier's obligation to grand this. Therefore, when an operating problem is met which may affect the consecutiveness of the

rest days of positions or assignments covered by paragraphs (c), (d) and (e), the following procedure shall be used:

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

(2) Possible use of rest days other than Saturday and Sunday, by agreement or in accordance with other provisions of this agreement.

(3) Efforts will be made by the parties to agree on the accumulation of rest time and the granting of longer consecutive rest periods.

(4) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.

(5) If the foregoing does not solve the problem, then some of the relief men may be given non-consecutive rest days.

(6) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive ddays off.

(7) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.

(8) If the parties are in disagreement over the necessity of splitting the rest days on any such assignments, the carrier may nevertheless put the assignments into effect subject to the right of employees to process the dispute as a grievance or claim under this agreement, and in such proceedings the burden will be on the carrier to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five days per week.

(h) Rest Days of Extra or Furloughed Employees - To the extent extra or furloughed men may be utilized under the schedule agreement or practices, their days off need not be consecutive; however, if they take the assignment of a regular employee they will have as their days off the regular days off of that assignment.

(i) Beginning of Work Week - The term "work week" for regularly assigned

employees shall mean a week beginning on the first day on which the assignment is bulletined to work, and for unassigned employees shall mean a period of seven (7) consecutive days starting with Monday.

(j) Sunday Work - Existing provisions that punitive rates will be paid for Sunday as such are eliminated. The elimination of such provisions does not contemplate the reinstatement of work on Sunday which can be dispensed with. On the other hand, a rigid adherence to the precise pattern that may be in effect immediately prior to September 1, 1949, with regard to the amount of Sunday work that may be necessary is not required. Changes in amount or nature of traffic or business and seasonal fluctuations must be taken into account. This is not to be taken to mean, however, that types of work which have not been needed on Sundays will hereafter be assigned on Sunday. The intent is to recognize that the number of people on necessary Sunday work may change.

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

(l) Service on Rest Days - Service rendered by employees on assigned rest days shall be paid for at the rate of time and one-half with minimum of four (4) hours' pay at straight time rate for two (2) hours and forty (40) minutes' work or less; however, if filling the assignment of an employee assigned to such day, he will be paid at the rate of time and one-half for such assignment.

RULE 4 – REST DAY RELIEF TRAVEL TIME

Employees assigned to rest day relief service who are required to travel as a part of their assignment shall be paid travel time as hereinafter provided:

(a) The Carrier shall designate a headquarters point for each relief assignment, which shall be changed only after four (4) days' written notice to the employee affected.

(b) If the time consumed in actual travel, including waiting time en route, from the headquarters point to the work location, together with necessary time spent waiting for the employee's shift to start, exceeds one hour and thirty minutes, or if on completion of his shift necessary time spent waiting for transportation plus the time of travel, including waiting time en route, necessary to return to his headquarters point or to the next work location exceeds one hour and thirty minutes, then the excess over one hour and thirty minutes in each case shall be paid for as working time at the straight time rate of the job to which traveled.

(c) Where an employee is required to travel from his headquarters point to another point outside the environs of the city or town in which his headquarters point is located, the carrier will either provide transportation without charge or reimburse the employee for such transportation cost. ("Transportation" means travel by rail, bus, or private automobile and "transportation cost" means the established passenger fare or automobile mileage allowance where automobile is used.)

(d) When such employees are unable to return to their headquarters on any day they shall be entitled, in addition to the allowances under Paragraphs (b) and (c) of this rule, to reimbursement for actual necessary expenses for cost of lodging the three meals per day while away from headquarters - i.e., the 24-hour period following the time when the employee's last shift began - but on such days they shall not be paid for any hours after their assigned hours unless actually working, or traveling to another work location. Accommodations on a sleeper may be furnished in lieu of the lodging above provided for and time spent on the sleeper will not be considered travel.

(e) The Carrier will make such relief assignments so as to have, consistent with the requirements of the service and other provisions of this agreement, a minimum amount of travel and time away from home for the employees involved, and at the request of the General Chairman the Carrier's representatives will meet to discuss questions that may be raised as to such assignments.

(f) It is understood that this rule applies only to regular rest day relief assignments.

RULE 5 – INTERMITTENT SERVICE

(a) Positions not requiring continuous manual labor, such as engine watchmen, will be paid a monthly rate to cover all service rendered, except on assigned rest day and except as provided in Rule 9(b). For new positions, this monthly rate shall be based on the hours and compensation for positions of a similar kind. If the assigned hours are increased or decreased, the monthly rate shall be adjusted pro rata as the hours of service in the new assignment bear to the hours of service in the present assignment. The hours of employees covered by this rule shall not be reduced below eight (8) per day for five (5) days per week. Such employees shall be assigned one regular rest day per week, Sunday if possible. If such an employee is required to perform service on his assigned rest day, he shall be paid therefore at the rate of time and one-half, with a minimum of two (2) hours and forty (40) minutes at such rate.

(b) Positions may be paid a monthly rate on the basis of eight (8) hours for a split trick. No trick will be split more than once, and will be confined to a spread of

twelve (12) hours. Work performed in excess of eight (8) hours within a spread of (12) hours will be paid for as overtime on the minute basis. This rule shall not be construed as authorizing the working of split tricks where continuous service is required.

(c) To determine the pro rata hourly rates for work performed by employees under the provisions of this rule, multiply the present monthly wage rate by twelve (12) to arrive at the annual earnings; this amount to be divided by the total of the present assigned working days of the year multiplied by the assigned hours each working day.

RULE 6 – STARTING TIME

(a) There may be one, two, or three shifts employed. The starting time of any shift shall be based on actual service requirements.

(b) The starting time of any shift will not be changed without first giving employees affected forty-eight (48) hours' notice.

(c) The present practice of having more than one starting time on a shift may be continued for employees essentially for transportation purposes.

(d) Where three (3) shifts are employed, no shift will start between 12:00 midnight and 6:00 a.m., except when necessary to meet actual service requirements.

RULE 7 – MEAL PERIOD

(a) The time and length of the lunch period shall be subject to mutual agreement.

(b) For operations requiring eight (8) consecutive hours on duty without regularly assigned meal period, no deduction in pay will be made if not to exceed twenty (20) minutes elapse while employees thus assigned are eating their lunch.

(c) For continuous service after regular working hours, employees will be allowed overtime on the minute basis and shall not be required to work more than two (2) hours without being permitted to go to meals.

RULE 8 – OVERTIME

(a) Work performed in excess of eight (8) hours, exclusive of meal periods, is overtime and shall be paid for at the rate of time and one-half time on the minute basis. All service beyond sixteen (16) hours, computed from the starting time of the employees' regular shift, shall be paid for at the rate of double time.

(b) Employees will be allowed time and one-half time on the minute basis for work performed continuous with and in advance of regular assigned working hours.

(c) Except as otherwise provided, work in excess of 40 straight time hours in any work week shall be paid for at one and one-half times the basic straight time rate except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list, or where days off are being accumulated under Paragraph (g) of Rule 3.

Except as otherwise provided, employees who work more than five (5) days in a work week shall be paid one and one-half times the basic straight time rate for work on the sixth day of their work weeks, except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or furloughed list, or where days off are being accumulated under Paragraph (g) of Rule 3.

Service performed by a regularly assigned hourly or daily rated employee on the second rest day of his assignment shall be paid at double the basic straight time rate provided he has worked on the first rest day of his work week, except that emergency work paid for under the call rules will not be counted as qualifying service under this rule, nor will it be paid for under the provisions hereof.

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

RULE 9 – HOLIDAY WORK

(a) Except as provided in Paragraph (b) of this rule, work performed on the following legal holidays - namely; New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day, and New Year's Eve (provided when any of the above holidays fall on Sunday, the day observed by the State, Nation or by proclamation shall be considered the holiday) shall be paid at the rate of time and one-half.

(b) Work performed by monthly rated engine watchmen on the following legal holidays - namely: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after

Thanksgiving, Christmas Eve, Christmas Day, and New Year's Eve (provided when any of the above holidays fall on Sunday, the day observed by the State, Nation or by proclamation shall be considered the holiday) shall be paid in addition to the monthly rate, one-half of the pro rate hourly rate for each our of their holiday assignment up to, but not to exceed eight (8) hours on such days.

(c) An assignment starting in advance of midnight, which includes working time after midnight, is an assignment of the date on which it starts.

(d) Employees regularly assigned to work on holidays, or those called to take the place of such employees, will be allowed to complete the balance of the day, unless released at their own request.

RULE 10 – NOTIFIED OR CALLED

Employees notified or called to perform work not continuous with their day's work, exclusive of meal periods, will be allowed a minimum of four (4) hours' pay for two (2) hours and forty (40) minutes work or less, and if held on duty in excess of two (2) hours and forty (40) minutes, time and one-half will be allowed on the minute basis.

RULE 11 – ABSORBING OVERTIME

When it becomes necessary for employees to work overtime, they shall not be laid off during regular working hours to equalize the time. If overtime must be worked, same will be distributed equally as possible.

RULE 12 – PAY FOR REDUCED HOURS

(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 a Carrier's operations in whole or in part is due to a labor dispute between said carrier and any of its employees.

RULE 13 – COMPOSITE SERVICE

An employee required temporarily to fill the place of another employee receiving a higher rate of pay or temporarily assigned to a class of work paying a higher rate will be paid the higher rate for the work day when the time so engaged is in excess of four (4) hours. An employee required temporarily to fill the place of another employee receiving a higher rate of pay or temporarily assigned to a class of work paying a higher rate for less than four (4) hours in one day will be paid the higher rate on the minute basis with a minimum of one (1) hour at the higher rate.

Except in case of force reduction, if an employee is required temporarily to fill the place of an employee receiving a lower rate, his rate will not be changed.

RULE 14 –

ATTENDING COURT

Employees absent from their regular assigned duties, at the request of the Railroad Management, to attend court or inquest or to appear as witnesses for the Railroad Company, will be furnished transportation and will be allowed compensation equal to what would have been earned had such interruption not taken place, and, in addition, necessary actual expenses while away from headquarters will be allowed. Any fees or mileage accruing will be assigned to the Railroad Company.

JURY DUTY

When a regularly assigned employee is summoned for jury duty and is required to lose time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his position for each such day, excepting allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations:

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

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

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

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

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

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

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

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

RULE 15 – ISSUANCE OF CHECKS OR VOUCHERS

(a) Employees will be paid off during their regular working hours, semi-monthly, except where existing State laws provide a more desirable paying off condition.

(b) Should the regular pay day fall on a Sunday or Holiday, or days when the shops are closed down, employees will be paid on the preceding day when possible to do so.

(c) Where there is a shortage equal to one (1) day's pay or more, in the pay of an employee, a voucher will be issued to cover the shortage.

(d) Employees leaving the service of the Railroad Company will be furnished with a time voucher covering all time due within twenty-four (24) hours where time drafts are issued and within forty-eight (48) hours at other points, or earlier, when possible.

RULE 16 – CLAIMS OR GRIEVANCES

(a) All claims or grievances must be presented in writing by or on behalf of the employee involved, to the officer of the Carrier authorized to receive same, within sixty (60) days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, the Carrier shall,

within sixty (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.

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

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

(d) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant and 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.

(e) 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.

(f) This agreement is not intended to deny the right to the employees to use any other lawful action for the settlement of claims or grievances provided such action is instituted within nine (9) months of the date of the decision of the highest designated officer of the Carrier in accordance with the Controlling Agreement and the Railway Labor Act, as amended.

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

(h) Conference between local officials and local committees, when authorized by the officer in charge, will be held during regular working hours without loss of time to committeemen.

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

RULE 17 – INVESTIGATIONS

(a) An employee in service under this agreement for sixty (60) calendar days or less may be disciplined or dismissed without a formal hearing.

(b) An employee in service for more than sixty (60) calendar days will not be disciplined or dismissed until after a fair and impartial hearing has been held.

(c) Such hearing will be held within thirty (30) calendar days from the date of the occurrence to be investigated or not later than thirty (30) days from the date the supervising officer would have knowledge of the alleged offense.

(d) An employee will not be held out of service prior to a fair and impartial investigation, except for the following causes:

1. Theft.

2. Insubordination.

3. Conduct in the performance of his job or on the Carrier's property that causes an unsafe condition, endangers other employees or the public, or is detrimental to the operation of the railroad.

4. Violation of General Safety Rule "G".

An employee may be held out of service for any of the causes cited above commencing on the date of the occurrence to be investigated or the next

following work day pending a hearing and decision thereon. The hearing will be held within ten (10) calendar days from the date the employee is held out of service.

(e) At least five (5) days' advance written notice of the investigation shall be given the employee, the appropriate local organization representative in order that the employee may arrange for representation by a duly authorized representative and for presence of necessary witnesses he may desire. The notice must specify the charge for which investigation is being held. Unless conditions or circumstances warrant other arrangements, efforts will be made to hold the investigation at the city where the employee is headquartered.

(f) After the date of notice to appear for the hearing has been issued and prior to the date of the hearing, the employee cited to appear for the hearing may, in company with his duly authorized local representative, confer with the officer of the Railroad Company preferring the charges against the employee for the purpose of reaching an agreement on the validity of the charges preferred against the employee and the proposed discipline to be administered.

In the event an agreement is reached in such conference on the validity of the charges preferred against the employee and the measure of discipline, the Railroad Company will issue an appropriate letter to the employee involved setting forth the fact that at a pre-hearing conference the validity of the charges and the measure of discipline was agreed to and that no appeal will be taken from the discipline administered and that the hearing will be cancelled and the discipline administered should then be stated.

In the event an agreement is not reached in the pre-hearing conference on the validity of the charges preferred against the employee and the measure of discipline, the hearing will be conducted at the time and place designated and during the course of such a hearing, no reference will be made to statements made by either party during the pre-hearing conference.

(g) A decision shall be rendered within thirty (30) days following the investigation, and written notice of discipline will be given the employee with copy to the local organization's representative.

(h) The employee and the duly authorized representative shall be furnished a copy of the transcript of the investigation within thirty (30) days of the date the hearing is held. The employee or his representative will not be denied the right to take a stenographic record or tape recording of the investigation.

(i) The time limits specified in Rule 16 may, upon written request, be extended in a

particular case by agreement between the Railroad Company and the employee involved or his duly authorized local representative. If investigation is not held or decision rendered within the time limits herein specified, or as extended by agreed-to-postponement, the charges against the employee shall be considered as having been dismissed.

(j) If it is found that an employee has been unjustly disciplined or dismissed, such discipline will be set aside and removed from the record. The employee shall be reinstated with all of his seniority rights unimpaired, and be compensated for wage loss, if any, suffered by him resulting from such discipline or dismissal, less any amount earned in other employment during such period the disciplinary action was in effect.

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 Health and Welfare Plan as if he or she had not been suspended or dismissed in the first place.

(k) The provisions of Rule 16 Claims or Grievances shall be applicable to the filing of claims and to the appeal of claims in discipline cases.

However, all claims in connection with discipline cases will be appealed directly to the highest designated Carrier Officer.

(l) Employees will not be required to lose time from their regular assignments because of being required to attend investigations. So far as is possible, investigations will be conducted during regular working hours. This rule will include the duly authorized representative of the employee being investigated and "necessary" witnesses whose presence has been arranged for with their supervisors. The Carrier will not be required to pay a representative or an employee attending a hearing outside of regular working hours as a witness for the employee charged with the offense.

RULE 18 – SENIORITY RIGHTS

(a) Seniority begins at the time and employee's pay starts as of last entry into service, except as herein provided.

(b) Rights accruing to employees under their seniority entitles them to consideration for positions in accordance with their relative length of service with the Railroad as hereinafter provided.

(c) Seniority will be confined to the point where employed.

(d) Employees at each point covered by this agreement will, where such occupations exist, be grouped as follows:

A. Stationary Engineers (Steam)
Stationary Firemen
Power Plant Water Tenders
Power Plant Coal Passers
Engine Room Oilers

B. Sandhouse Men
Turntable Operators
Engine Washers (Exterior)
Engine Wipers
Locomotive Supplymen
Engine Watchmen
Water Treaters
Laborer Gang Leaders
Power Plant Laborers
Roundhouse Laborers
Locomotive Shop Laborers
Car Shop and Repair Yard Laborers

RULE 19 – SENIORITY ROSTER

(a) A separate seniority roster will be compiled at each point of employment and will show the names of and dates of entry of employees into the service, also dates of transfer from either sub-division "A" or "B". Seniority will not accrue and employees' names will not be included on the seniority roster until they have performed service for a period of sixty (60) days.

(b) Seniority rosters will be revised in January of each year, will be posted on bulletin board and a copy will be furnished the local committee upon request.

(c) Seniority dates shall be considered permanently established if not protested within sixty (60) days from the date of posting when employee's name first appears on the seniority roster, except that should error be made in transcribing, it will be corrected at any time.

RULE 20 – BULLETINED POSITIONS

(a) New positions or vacancies will be bulletined for a period of five (5) days. Employees desiring such bulletined positions will file their applications with the

official whose name is signed to the bulletin within that time. A bulletin of assignment listing the name of the successful applicant shall be posted at all places where the position was bulletined.

(b) New and temporary positions or vacancies of thirty (30) days or less duration shall be considered as temporary and may be filled by an employee without bulletining; if filled, the senior qualified employee requesting same will be assigned thereto.

(c) In filling new positions or vacancies, ability and seniority will govern; ability being sufficient, seniority shall prevail. When a senior employee making application for a bulletined position is not assigned thereto, he will, upon request, be advised in writing the reason therefore.

(d) When an employee is assigned to a temporary vacancy, the position formerly held will be considered a temporary vacancy. If, prior to the expiration of the temporary vacancy, the employee is disqualified, or the temporary vacancy expires, he will return to his former position provided a senior employee has not exercised displaced rights thereon. All employees affected by his return will do likewise.

If a senior employee has exercised displacement rights on the employee's former position, or if his former position is abolished, he may exercise his seniority in accordance with these rules within five (5) days after leaving the temporary vacancy.

(e) When more than one vacancy or new position exists at the same time, employees shall have the right to bid on any or all, stating preference.

(f) When an employee bids for and is assigned to a permanent vacancy or new position, his former position will be bulletined as a permanent vacancy. An employee assigned will not be eligible to bid on the position vacated by him until it has been bulletined the second time.

NOTE: The Carrier will designate, at its option, specific forms which will be used for bulletining, awarding, making application for and abolishing bulletined positions, as well as forms to be used for exercising displacement rights.

RULE 21 – TRANSFER FROM ONE GROUP TO ANOTHER

(a) Employees transferred or promoted from one classification group to another by bulletin will rank in the group to which transferred from the time pay starts in such group, but will retain their seniority and may exercise displacement rights in the group from which transferred in event force is

reduced or positions are abolished. Employees affected by this provision must exercise their displacement rights within five (5) days from the date force is reduced or positions are abolished, or forfeit displacement rights.

(b) Employees assigned to temporary service or temporarily transferred by direction of the management from one point to another, will retain their seniority at their regular point of employment.

(c) Employees desiring transfer from one point to another, with a view of accepting a permanent transfer, must make application in writing. Such employees will, after thirty (30) days, lose their seniority at the point they left, and their seniority at the point to which transferred will begin on the first date pay is earned as per Rule Number 18(A).

(d) An employee who qualifies for and obtains permission to transfer to another class or craft, after completion of a minimum of six months of continuous service in positions under the IBF&O Agreement, may be considered to be on leave of absence, for the period of two years from date of transfer, or until completion of the apprenticeship/training program required to qualify for seniority in that craft or class; whichever period is longer. Such transferred employees shall be required to pay an appropriate monthly fee, not to exceed monthly union dues, in order to retain and continue to accumulate seniority. An employee involuntarily relieved (for reasons other than termination for disciplinary reasons) from such a position and no longer able to hold a position in the other class or craft, may within five (5) calendar days displace any junior employee under the scope of the NCF&O Agreement whose position the employee is qualified to fill. The junior employee displaced as a result of the return of an employee under this rule will have identical displacement rights.

Employees will not be allowed to voluntarily relinquish training or positions and return to Firemen and Oilers ranks during the leave of absence.

(e) Employees promoted prior to the effective date of this Agreement (7/8/97) will retain seniority rights under the terms of the Agreement that existed when promoted. However, the promoted employees shall be required to pay the appropriate monthly fee, not to exceed monthly union dues, in order to accumulate additional seniority.

(f) An employee that has completed the sixty day probationary period and is filling or promoted to official, supervisory or excepted positions will retain his seniority rights under the conditions identified in Article VII of the November 26, 1986 National Agreement.

RULE 22 – PROMOTED TO EXCEPTED POSITIONS

(a) Employees covered by this agreement who are promoted to supervisory positions by the Railroad Company will retain their seniority rights at point last employed, and may return to the service from which promoted, provided they meet the physical requirements of the service.

(b) From 11/26/86 Mediation Agreement

Section 1

Effective November 26, 1986, all employees promoted subsequent thereto to official, supervisory, or excepted positions from crafts or classes represented by F&O 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.

Section 2

Employees promoted prior to November 26, 1986, to official, supervisory, or excepted positions from crafts or classes represented by F&O 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.

RULE 23 – DECLINING PROMOTION

Employees declining promotion shall not lose their seniority except to the employee promoted and only in the other classification group.

RULE 24 – FAILURE TO QUALIFY

Employees accepting promotion within the scope of this agreement, and failing to qualify, may return to the position from which they were promoted.

RULE 25 – RETENTION OF SENIORITY

(a) Employees laid off by reason of force reduction, in order to retain their seniority rights, must file their correct addresses in writing with their foreman and local committee within five (5) days after being laid off. Employees laid off by reason of force reduction who change their address will promptly file their names and

correct addresses with their foreman and local committee. Employees failing to comply with these requirements for filing addresses and subsequent notices of change will result in forfeiture of seniority and right to recall to service.

(b) From 11/26/86 Mediation Agreement: The seniority of any employee whose seniority under an agreement with F&O is established after November 26, 1986 and who is furloughed for 365 consecutive days will be terminated if such employee has less then three (3) years of seniority.

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

RULE 26 – REDUCTION OF EXPENSES

(a) When it becomes necessary to reduce expenses, the force will be reduced.

(b) Except by mutual agreement, regularly established daily working hours will not be reduced below eight (8) to avoid making force reductions.

(c) Groups of employees will not be laid off for short periods when proper reduction of expenses can be accomplished by first laying off the junior men. This will not prevent employees in the same group dividing time when mutually agreed upon.

RULE 27 – REDUCTION IN FORCE

(a) When the force is reduced, the senior men in each sub-department qualified to do the work shall be retained and the men affected will take a rate of the job to which they are assigned. In reducing forces, five (5) days' notice will be given the men affected before the reduction is made, and lists will be furnished the local committee.

(b) Employees laid off account of reduction in force may, if they make written application, be given consideration should men be needed at other points for the class of work such employees are capable of performing, with privilege of returning to home station when force is increased in accordance with seniority. Such transfers to be made without expense to the Railroad Company.

(c) Employees exercising displacement rights will do so within five (5) calendar days after being affected by force reduction or abolishment of position.

RULE 28 – INCREASING FORCES

In the restoration of forces, employees will be restored to service in accordance with their seniority and shall be returned to their former position if possible. Employees failing to return to service within fifteen (15) days after date of notice to their last known address, unless an extension has been granted by the supervisor in charge and the local committee, will forfeit all seniority rights. The local committee will be furnished with a list of employees to be restored to service.

RULE 29 – LEAVE OF ABSENCE

When the requirements of the service will permit employees, on request, will be granted leave of absence for not to exceed ninety (90) days, with privilege of renewal. An employee absent on leave who engages in other employment will lose his seniority unless special provisions shall have been made therefore by the proper railroad official and the employee's committee.

An employee failing to return at the expiration of his leave of absence will lose his seniority rights, unless an extension has been obtained.

Employees on leave of absence or vacation as provided for in this rule, upon returning to service, will be permitted to return to their former positions or may exercise their seniority in bidding on new jobs or vacancies created during their absence. If such employee returns to his regular position, the employee who was relieving him will return to his regular position. It is understood that all moves made under these rules must be made within twenty-four (24) hours after the employee returns to service, and the employee affected by this move must also place himself within twenty-four (24) hours.

RULE 30 – ABSENCE, ILLNESS, ETC.

In case an employee is unavoidably detained from work, he/she must notify his/her foreman prior to assigned starting time. In an emergency or when not possible to notify the foreman prior to assigned starting time, the employee must notify his/her foreman as soon as possible.

Permission to be absent from work for reasons other than emergencies must be obtained from the foreman. In the event of failure to secure permission within three (3) days, the employee will be considered out of the service and his/her name will be dropped from the seniority roster.

RULE 31 – COMMITTEE WORK

Employees serving on committees, on sufficient notice, shall be granted leave of

absence and free transportation for the adjustment of grievances between the Railroad Company and its employees covered by this agreement.

RULE 32 – FURNISHING TRANSPORTATION

Employees covered by these rules will be granted such free transportation as is consistent with the regulations of the Railroad Company.

RULE 33 – WORKING CONDITIONS

(a) During cold and inclement weather, employees, who have become heated up at their work, will not be required to go to work outside until given opportunity to prepare for such work.

(b) At points where ice is furnished employees of other departments for drinking water purposes, the same will be arranged for employees covered by this agreement during such time of the year as it may be considered necessary.

(c) Lockers, toilets, and washrooms will be kept in good repair and in a clean sanitary condition.

RULE 34 – FURNISHING SCHEDULES

The Railroad Company will have printed in book form copies of this agreement. Any employee affected by this agreement shall, on request, be provided with a copy.

RULE 35 – WAGE RATES

The present rates of pay of employees covered by this agreement shall remain in effect until changed by future negotiations.

The inclusion of Paragraphs (h), (i) and (k) in Rule 3 and Paragraph (c) of Rule 7 (with the adaptation set forth in Supplement No. 2 to Decision No. 2 of the Forty Hour Week Committee) shall be without prejudice to the determination of whether or not extra, unassigned or furloughed employees may be utilized under the existing agreement or practices.

RULE 36 – AGREEMENT DURATION

This agreement will be effective October 1, 1998 and shall continue in effect until revised in accordance with the procedure required by the Railway Labor Act. If either the employees or the Railroad Company desire to change these rules, thirty (30) days' notice will be given in writing, such notice to specify changes desired, conference to be

held as promptly as consistent thereafter.

In printing this agreement to include applicable parts of the several national negotiated agreements and other memoranda now in effect, it was not the intent of the parties signatory hereto to change, or modify, the application and/or interpretation thereof. Should a dispute arise through the omission of, or slight change in, language used in the original national agreement or other memoranda, the original language shall be controlling, unless or until said language has been subsequently changed, revised, or canceled by agreement or interpretation between the parties involved.

NATIONAL CONFERENCE OF FIREMEN & OILERS	SOO LINE RAILROAD COMPANY
/s/ Roger A. Burrill	/s/ Cathryn Frankenberg
R. A. Burrill	Cathryn Frankenberg
General Chairman	Assistant Vice President
System Council No. 15	Labor Relations & Human Resources - US

TABLE OF APPENDICES

APPENDIX A-1

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.

APPENDIX A-2

November 26, 1986

Mr. J. L. Walker
International President
International Brotherhood of
Firemen and Oilers
122 C Street, N.W., Suite 280
Washington D.C. 20001

Dear Mr. Walker:

During the negotiations of the Agreement of this date we discussed situations where personal leave days are taken either immediately preceding or following a holiday.

This reconfirms our understanding that the work day (or day, in the case of an other than regularly assigned employee) immediately preceding or following the personal leave day is considered as the qualifying day for holiday purposes.

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

Very truly yours,

/s/ C.L. Hopkins, Jr.

I agree:

/s/ J. L. Walker

APPENDIX B

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, grandchild, 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 provisions 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.

APPENDIX C

SHOP CRAFTS NATIONAL HOLIDAY PROVISIONS

The following represents a synthesis in one document, for the convenience of the parties, of the current holiday provisions of the National Agreement of August 21, 1954, and amendments thereto provided in subsequent national agreements with appropriate source identification.

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 interpretations or application of any provision, the terms of the appropriate agreement shall govern.

Section 1

Subject to the qualifying requirements contained in Section 3 hereof, and to the conditions hereinafter provided, each hourly and daily rated employee shall receive eight hours' pay at the pro rata hourly rate for each of the following enumerated holidays:

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

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

(From Article II - Holidays - Section 1(A), September 2, 1969 Agreement)

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

(From Article II - Holidays - Section 1(B), September 2, 1969 Agreement)

(C) Subject to the applicable qualifying requirements in Section 3 hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in Paragraph (B) above, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) he has had a seniority date for at least 60 calendar days or has 60 calendar days of continuous active service preceding the holiday beginning with the first day of compensated service provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with union shop agreement, or disapproval of application for employment.

(From Article II - Holidays - Section 1(C), September 2, 1969 Agreement)

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

Note: This rule does not disturb agreements or practices now in effect under which any other day is substituted or observed in place of any of the above enumerated holidays.

(From Article II - Holidays - Section 1(D), September 2, 1969, Agreement)

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.

(From Article II - Holidays - Section 2(A), August 21, 1954 Agreement)

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

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

(From Article II - Holidays - Section 2(B), August 21, 1954 Agreement)

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.

(From Article II - Holidays - Section 1(D), October 7, 1971 and May 12, 1972 Agreements)

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.

(From Article II - Holidays - Section 2(D), October 7, 1971 and May 12, 1972 Agreements)

Effective January 1, 1976, after application of the cost-of living adjustment effective that date, the monthly rates of monthly rated employees shall be adjusted by adding the equivalent of 8 pro rata hours' pay to their annual compensation (the rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. That portion of such 8 pro rata hours' pay which derives from the cost-of-living allowance will not become part of basic rates of pay except as provided in Article II, Section 1(D) of the Agreements of January 27, 1975, March 12, 1975, and June 23, 1975. The sum of presently

existing hours per annum plus 8, divided by 12 will establish a new hourly factor for purposes of applying cents-per-hour adjustments in such monthly rates of pay and computing overtime rates.

A corresponding adjustment shall be made in weekly rates and hourly factors derived therefrom.

(From Article III - Holidays - Section 5, June 16, 1976 Agreement)

Effective January 1, 1983: 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.

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.

(From Article IV, 1/11/82 National Agreement.)

Section 3

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

Except as provided in the following paragraph all others for whom holiday pay is provided in Section 1 hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one or the other of the following conditions:

(I) Compensation for service paid by the carrier is credited; or
(II) Such employee is available for service.

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

For the purpose of Section 1, other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the workday preceding and the workday following the holiday will have the workweek of the incumbent of the assigned position and will be subject to the same qualifying requirements respecting service and availability on the workdays preceding and following the holiday as apply to the employee whom he is relieving.

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

(From Article II - Holidays - Section 2, September 2, 1969 Agreement)

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

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

(From Article III - Holidays - Section 4, June 16, 1976 Agreement)

Note: Effective January 1, 1983, the holiday pay qualifications for Christmas Eve and Christmas Day shall also be applicable to the Thanksgiving Day and Day after Thanksgiving Day and the New Year's Eve and New Year's Day holidays.

(From 1/11/82 National Agreement.)

Section 4

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

(From Article II - Holidays - Sections 1(B) and 2(C), October 7, 1971, and May 12, 1972 Agreements, and Article III - Holidays - Section 3(B), June 16, 1976 Agreement)

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, Veteran's Day, and to Christmas Eve in the same manner as to other holidays listed or referred to therein.

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

(From Article II - Holidays - Section 1(C), October 7, 1971 and May 12, 1972 Agreements)

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

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

(From Article II - Holidays - Section 1(C), October 7, 1971, and May 12, 1972 Agreements)

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

(From Article II - Holidays - Section 1(C), October 7, 1971, and May 12, 1972 Agreements)

Section 6

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. (See Section 2 for additional provisions).

(From Article II - Section 1(D), October 7, 1971, and May 12, 1972 Agreements)

Section 7

When any of the ten recognized holidays enumerated in Section 1 of this Article II, or any day which by agreement, or by law or proclamation of the State or Nation, has been substituted or is observed in place of any of such holidays, falls during an hourly or daily rated employee vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for therein provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays" and "days preceding and following the holiday for such qualification purposes.

(From Article II - Holidays - Sections 1(E) and 2(C), October 7, 1971, and May 12, 1972 Agreements, and Article III - Holidays - Section 3(B), June 16, 1976 Agreement)_____

APPENDIX D-1

SHOP CRAFTS NATIONAL VACATION AGREEMENTS

The following represents a synthesis in one document, for the expressed convenience of the parties, of the current provisions of the December 17, 1941 National Vacation Agreement and amendments thereto provided in the National Vacation Agreements of August 21, 1954, August 19, 1960, November 21, 1964, February 4, 1965, September 27, 1967, September 2, 1969, October 7, 1971, May 12, 1972 and December 2, 4 and 6, 1978, with appropriate source identifications.

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 interpretations or application of any provision, the terms of the appropriate vacation agreement shall govern.

Section 1

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

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

(C) 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 had 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) 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 calendar year of his return to railroad service, but could qualify for a vacation in the year of his return to railroad service if he had combined for qualifying purposes days on which he was in railroad service in such preceding calendar year with days in such year 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 a vacation in the following calendar year, but could qualify for a vacation in such following calendar year if he had combined for qualifying purposes days on which he was in railroad service in the year of his return with days in such year on which he was in the Armed Forces, he will be granted, in such following calendar year, a vacation of such length as he could so qualify for under paragraphs (A), (B), (C), (D) or (E), and (I) hereof.

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

(From Articles III - Vacations - Sections 1 of October 7, 1971 and May 12, 1972 Agreements)

Section 2

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.

(From Section 3 of December 17, 1941 Agreement)

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

(From Article III - Vacations - Section 3, October 7, 1971 and May 12, 1972 Agreements)

Section 3

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

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

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

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

(From Sections 4(A) and 4(B) of December 17, 1941 Agreement)

Section 4

Each employee who is entitled to vacation shall take same at the time assigned, and, while it is intended that the vacation date designated will be adhered to so far as practicable, the management shall have the right to defer same provided the employee so affected is given as much advance notice as possible; not less than ten (10) days' notice shall be given, except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty (30) days' notice will be given affected employee.

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

(From Section 5 of December 17, 1941 Agreement)

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.

(From Article I - Vacations - Section 4 of August 21, 1954 Agreement)

Section 5

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

(From Section 6 of December 17, 1941 Agreement)

Section 6

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

(A) An employee having a regular assignment 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.

(From Section 7 of the December 17, 1941 Agreement)

"As to an employee having a regular assignment, but temporarily work on another position at the time his vacation begins, such employee while on vacation will be paid the daily compensation of the position on which actually working at the time the vacation begins, provided such employee has been working on such position for twenty days or more."

(From Award of Referee Wayne L. Morse, November 12, 1942.)

Section 7

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, non-compliance with a union-shop agreement, or failure to return after furlough he shall at the time of such termination be granted full vacation pay 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 I. 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 or preference.

(From Article IV-Vacations - Section 2 of August 19, 1960 Agreement)

Section 8

Vacations shall not be accumulated or carried over from one vacation year to another. (From Section 9 of December 17, 1941 Agreement)

Section 9

(A) An employee designated to fill an assignment of another employee on vacation will be paid the rate of such assignment or the rate of 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 a vacation, the rate of 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.

(From Section 10 of December 17, 1941 Agreement)

Section 10

While the intention of this agreement is that the vacation period will be continuous, the vacation may, at the request of an employee, be given in installments if the management consents thereto.
(From Section 11 of December 17, 1941 Agreement)

Section 11

(A) Except as otherwise provided in this agreement a carrier shall not be required to assume greater expense because of granting a vacation than would be incurred if an employee were not granted a vacation and was paid in lieu therefor under the provision hereof. However, if a relief worker necessarily is put to substantial extra expense over and above that which the regular employee on vacation would incur if 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.

(From Section 12 of December 17, 1941 Agreement)

Section 12

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

(From Section 13 of December 17, 1941 Agreement)

Section 13

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

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

(From Section 14 of December 17, 1941 Agreement)

Section 14

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

(From Articles III - Vacations - Sections 2 of October 7, 1971 and May 12, 1972 Agreements)

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

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

(From Article I - Vacations - Section 6, August 21, 1954 Agreement)

APPENDIX D-2

VACATION SPLIT 1 DAY AT A TIME

July 19, 1985 (as amended 7/8/97)

Mr. R. A. Burrill
General Chairman - IBF&O
E. 9009 Euclid Avenue
Spokane WA 99212

Dear Sir:

In connection with the Implementing Agreement and Employee Protective Agreement executed by the parties effective July 1, 1985, the following understanding and agreement was reached:

> It is agreed that the intent of the following provision is to enable an employee to utilize vacation days for personal reasons. The purpose is not to extend the holiday period by reason of vacation days; for this reason, a vacation day on a working day preceding and subsequent to a holiday or holiday period will not be granted, except that consideration will be given to emergency situations.

The following provision is for the purpose of providing machinery under which one week of vacation may be split into days and does not constitute an amendment to the vacation agreement:

> "Effective with vacations taken after January 1, 1986, any employee who is eligible for more than one week of vacation may elect at the time vacations are scheduled to split one week of his vacation on one or more days at a time basis.
>
> Effective with vacation taken after January 1, 1998, any employee who is eligible for more than two (2) weeks of vacation may elect at the time vacations are scheduled to split one (1) or two (2) weeks of vacation on a one or more days at a time basis. (Employees who are scheduled to take group vacations may split only vacation time which exceeds the length of the group vacation.)
>
> Such vacations must be lined up with the employee's supervisor one week in advance and scheduled consistent with the requirements of service; consideration will be given to emergency situations. Carrier shall have the right to defer such vacations for emergencies and other compelling circumstances. Vacations will be granted only when the vacancy can be filled at straight time rates and without any penalty to the Carrier.

During the last week of September, the local Management and local committee will meet to set the dates of vacation for those who have not already taken all their split vacation days."

This agreement does not modify or in any manner affect schedule rules or agreements, except as specifically provided herein and will become effective as of January 1, 1986 and continue in effect until cancelled by either party upon 15 days' written notice to the highest designated representative of the other party.

Yours truly,

/s/ C.W. Nelson
Assistant Vice President
Labor Relations

I concur:

/s/ Roger A. Burrill
General Chairman
International Brotherhood of
Firemen and Oilers

APPENDIX E

MEDIATION AGREEMENT

CASE NO. A-7030

This Agreement made this 25th day of September, 1964, by and between the participating carriers listed in Exhibits A, B and C attached hereto and made a part hereof and represented by the National Railway Labor Conference and the Eastern, Western and Southeastern Carriers' Conference Committees, and the employees of such carriers shown thereon and represented by the railway Labor Department, AFL-CIO,
Witnesseth:

IT IS AGREED:

ARTICLE I - EMPLOYEE PROTECTION

Section 1.

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

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

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

covered by the Washington Job Protection Agreement.

Section 2.

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

a. Transfer of work;

b. Abandonment, discontinuance for 6 months or more or consolidation of facilities or services or portions thereof;

c. Contracting out of work;

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

e. Voluntary or involuntary discontinuance of contracts;

f. Technological changes; and,

g. Trade-in or repurchase of equipment or unit exchange.

Section 3.

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

Section 4.

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

Section 5.

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

"**Section 6** (a). No employee of any of the carriers involved in a particular coordination who is continued in service shall, for a period not exceeding five years following the effective date of such coordination, be placed, as a result of such coordination 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 carriers 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 for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the test period."

Section 6.

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

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

Length of Service	Period of Payment
1 yr. and less than 2 yrs.	6 months
2 yrs. 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 (in any capacity whatsoever) and twelve such months shall be credited as one year's service. The employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

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

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

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

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

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

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

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

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

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

2. Resignation.

3. Death.

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

5. Dismissal for 'justifiable cause.' "

Section 7.

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

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

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

In the case of employees with less than one year's service, five days' pay, at the rate of the position last occupied, for each month in which they performed service will be paid as the lump sum.

(a) Length of service shall be computed as provided in Section 7.

(b) One month's pay shall be computed by multiplying by 30 the daily rate of pay received by the employee in the position last occupied prior to time of coordination."

Section 8.

Any employee affected by a change in operations for any of the reasons set forth in Section 2 hereof shall not be deprived of benefits attaching to his previous employment, such as free transportation, pensions, hospitalization, relief, etc., under the

same conditions and so long as such benefits continue to be accorded to other employees of the carrier, in active service or on furlough as the case may be, to the extent that such benefits can be so maintained under present authority of Law or corporate action or through future authorization which may be obtained.

Section 9.

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

"Section 10(a) Any employee who is retained in the service of any carrier involved in a particular coordination (or who is later restored to service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as result of such coordination and is therefore required to move his place of residence, shall be reimbursed for all expenses of moving his household and other personal effects and for the traveling expenses of himself and members of his family, including living expenses for himself and his family and his own actual wage loss during the time necessary for such transfer, and for a reasonable time thereafter, (not to exceed two working days), used in securing a place of residence in his new location. The exact extent of the responsibility of the carrier under this provision and the ways and means of transportation shall be agreed upon in advance between the carrier responsible and the organization of the employee affected. No claim for expenses under this Section shall be allowed unless they are incurred within three years from the

date of coordination and the claim must be submitted within ninety (90) days after the expenses are incurred.

(b) If any such employee is furloughed within three years after changing his point of employment as a result of coordination and elects to move his place of residence back to his original point of employment, the carrier shall assume the expense of moving his household in paragraph (a) of this section.

(c) Except to the extent provided in paragraph (b) changes in place of residence subsequent to the initial changes caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this section."

Section 10.

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

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

1. If the employee owns his own home in the locality from which he is required to move, he shall at his option be reimbursed by his employing carrier for any loss suffered in the sale of his home for less than its fair value. In each case the fair value of the home in question shall be determined as of a date sufficiently prior to the coordination to be unaffected thereby.

   The employing carrier shall in each instance be afforded an opportunity to purchase the home at such fair value before it is sold by the employee to any other party.

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

further obligations under his contract.

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

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

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

(d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of lease, or any other question in connection with these matters, it shall be decided through joint conference between the representatives of the employees and the carrier on whose line the controversy arises and in the event they are unable to agree, the dispute may be referred by either party to a board of three competent real estate appraisers, selected in the following manner. One to be selected by the representatives of the employees and the carrier, respectively; these two shall endeavor by agreement within ten days after their appointment to select 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 of a majority of the appraisers 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 position 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 cause set forth in Section 3 hereof, and disputes as to the protective benefits to which an employee or employees may be entitled, shall be handled as hereinafter provided.

ARTICLE II - SUBCONTRACTING

The work set forth in the classification of work rules of the crafts parties to this agreement will be contracted except in accordance with the provisions of Sections 1 through 4 of this Article II.

Section 1.
Applicable Criteria

Subcontracting of work, including unit exchange, will be done only when (1) managerial skills are not available on the property; 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; (5) such work cannot be performed by the carrier except at a significant greater cost, provided the cost advantage enjoyed by the subcontractor is not based on a standard of wages below that of the prevailing wages 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.

Section 2.
Advance Notice - Submission of Data - Conference

If the carrier decides that in the light of the criteria specified above it is necessary to subcontract work of a type currently performed by the employees, it shall give the General Chairman of the craft or crafts involved notice of intent to contract out and the reasons therefor, together with supporting data. Advance notice shall not be required concerning minor transactions. 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 the conference to discuss the proposed action. If the parties are unable to reach an agreement at such conference the carrier may, notwithstanding proceed to subcontract the work, and the organization may process the dispute to a conclusion as hereinafter provided.

Section 3.
Request for Information When No Advance Notice is Given

If the General Chairman of a craft requests the reason 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 representatives 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.

Section 4.
Machinery for Resolving Disputes

Any dispute over the application of this rule shall be handled as hereinafter provided.

ARTICLE III

ASSIGNMENT OF WORK - USE OF SUPERVISORS

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

If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairmen of the organizations affected. Any disputes over the application of this rule shall be handled as provided hereinafter.

An incumbent supervisor who assume his present position prior to October 15, 1962, at a point where no mechanic is employed, may be retained in his present position. However, his replacements shall be subject to the preceding paragraphs of this rule.

ARTICLE IV

OUTLYING POINTS

At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be

handled as hereinafter provided and pending the disposition of the dispute the carrier may proceed with or continue its designation.

Existing rules or practices on individual properties may be retained by the organizations by giving a notice to the carriers involved at any time within 90 days after the date of this agreement.

ARTICLE V

COUPLING, INSPECTION AND TESTING

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

This rule shall not apply to coupling of air hose between locomotive and the first car of an outbound train; between the caboose and the last car of an outbound train or between the last car in a "double-over" and the first car standing in the track upon which the outbound train is made up.

ARTICLE VI

RESOLUTION OF DISPUTE

Section 1.

Establishment of Shop Craft Special Board of Adjustment

In accordance with the provisions of the Railway Labor Act as amended, a Shop Craft Special Board of Adjustment, hereinafter referred to as "Board," is hereby established for the purpose of adjusting and deciding disputes which may arise under Article I, Employee Protection, and Article II, Subcontracting, of this agreement. The parties agree that such disputes are not subject to Section 3, Second, of the Railway Labor Act, as amended.

Section 2.

Consist of Board

The Board shall consist of 4 members, 2 appointed by the organization party to this agreement, and 2 appointed by the carriers parties to this agreement. For each dispute the Board shall be augmented by one member selected from the panel of potential referees in the manner hereinafter provided. Successors to the members of the Board shall be appointed in the same manner as the original appointees. (See 11/17/80 National Amendment)

Section 3.

Appointment of Board Members

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

Section 4.

Location of Board Office

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

Section 5.

Referees - Employee Protection and Subcontracting

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

Section 6.

Term of Office of Referees

The parties shall advise the National Mediation Board of the names of the potential referees selected, and the National Mediation Board shall notify those selected, and their successors, of their selection, informing them of the nature of their duties, the least parties to the agreement and such information as it may deem advisable, and shall obtain their consent to serve as a panel member. Each panel member selected shall serve as a member until January 1, 1966, and until each succeeding January 1 in any year that he is no longer acceptable. Such notice shall be served by the moving parties upon the other parties to the agreement, the members of the Board and the National Mediation Board. If the referee in question shall then be acting as a referee in any case pending before the Board, he shall serve as a member of the Board until the completion of such case.

Section 7.

Filling Vacancies - Referees

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

Section 8.

Jurisdiction of Board

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

Section 9.

Submission of Dispute

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

Section 10.

Time Limit for Submission

Within 15 days of the postmarked date of such notice, both parties shall send 15 copies of a written submission to their respective members of the Board. Copies of such submissions shall be exchanged at the initial meeting of the Board to consider the dispute (see Supplement C-2).

Section 11.

Content of Submission

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

(a) The question or questions in issue;
(b) Statement of facts;
(c) Position of employee or employees and relief requested;
(d) Position of company and relief requested.

Section 12.

Failure of Agreement - Appointment of Referee

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

of the Board of such appointment promptly after it is made. Copies of both submissions shall promptly be made available to the referee.

Section 13.

Procedure at Board Meetings

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

Section 14.

Remedy

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

Section 15.

Final and Binding Character

Decisions of the Board shall be final and binding upon the parties to the dispute.

Section 16.

Extension of Time Limits

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

Section 17.

Records

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

Section 18.

Payment of Compensation

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

Section 19.

Disputes Referred to Adjustment Board

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

ARTICLE VII

EFFECT OF THIS AGREEMENT

This agreement is in full and final settlement of the dispute growing out of notices served on the carriers listed in Exhibits A, B, and C on or about October 15, 1962; and out of proposals serviced by the individual railroads on organization representatives of the employees involved on or about June 17, 1963. This agreement shall be construed as a separate agreement by and on behalf of each of said carriers and its employees represented by each of the organizations signatory hereto.

ARTICLE VIII

EFFECTIVE DATE

The provisions of this agreement shall become effective November 1, 1964, and shall continue in effect until January 1, 1966, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Section 6 notices will be initiated or progressed locally or concertedly covering the subject matter contained in the proposals of the parties referred to in Article VII, prior to January 1, 1966.

ARTICLE IX

COURT APPROVAL

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

SIGNED AT WASHINGTON, D.C. THIS 25th DAY OF SEPTEMBER, 1964.

SUPPLEMENT C-1

Memorandum of Understanding re Article VI, of Mediation Agreement of September 25, 1964 by and between the participating carriers listed in Exhibits A, B and C of said agreement representing by the National Railway Labor Conference and the Eastern, Western and Southeastern Carriers' Conference Committees, and the employees of such carriers shown thereon and represented by the railway labor organizations signatory thereto, through the Railway Employees' Department, AFL-CIO.

Under the provisions of Article VI, Section 19, disputes arising under Article III - Assignment of Work, Article IV - Outlying Points, and Article V - Coupling, Inspection and Testing, are to be handled in accordance with Section 3 of the Railway Labor Act. It is clear that with respect to such disputes subject to handling under Section 3 of the Act any claim or grievance is subject to the time limits and procedural requirements of the Time Limit on Claims Rule.

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

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

However, if there should be any claims filed for wage loss on behalf of a named claimant arising out of an alleged violation of Article II - Subcontracting (see Section 14 of Article V), such claims for wage loss should be filed promptly and within sixty days of the filing of the alleged violation of Article II - Subcontracting, is then submitted to the Shop Craft Special Board of Adjustment it will be considered that the special procedural provisions of Article VI have been complied with.

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

This understanding is a supplement to Article VI of the September 25, 1964 Agreement and will become effective as of this date.

FOR THE CARRIERS:	FOR THE ORGANIZATIONS:
J. E. Wolfe Chairman, National Railway Labor Conference	Michael Fox President, Railway Employees' Department, AFL-CIO

January 6, 1965

SUPPLEMENT C-2
FROM NATIONAL AGREEMENT OF DECEMBER 4, 1975

ARTICLE V
SUBCONTRACTING

The Agreement of September 25, 1964, is amended as follows:

PART A

First paragraph of Article II to read as follows:

The work set forth in the classification of work rules of the craft parties to the 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. In determining whether work falls within a scope rule or is historically performed and generally recognized within the meaning of this Article, the practices at the facility involved will govern.

Section 1(a) of Article II to read as follows:

Subcontracting of work, including unit exchange, will be done only when genuinely unavoidable because (a) 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 prevailing wages paid in the area for the type of work being performed or 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. 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.

The amendments made by this Part A shall become effective 30 days after the effective date of this Agreement and shall not be applicable to subcontracting transactions completed or being processed prior to the effective date of such amendments.

PART B

Article VI, Section 14 shall be redesignated Section 14(a) and a new Section 14(b) shall be added as follows:

(b) If the board finds that the Carrier violated the advance notice requirements of Section 2 of Article II, the Board may award an amount not in excess of that produced by multiplying 10% 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.

The amounts awarded in accordance with this paragraph (b) shall be divided equitably among the claimants, or otherwise distributed upon an equitable basis, as determined by the Board.

The amendment made by this Part B shall not be applicable with respect to claims arising out of subcontracting transactions completed or being processed prior to 30 days after the effective date of this Agreement.

Existing subcontracting rules and practices on individual properties may be retained in their entirety in lieu of this Article V by the Organizations by giving a notice to the Carriers involved at any time within 30 days after the effective date of this Agreement.

ARTICLE VIII
RESOLUTION OF DISPUTES

Article VI of the September 25, 1964 Agreement is amended as follows:

Section 1:

Eliminate the last sentence of Section 1 and substitute the following:

The parties agree that such Board shall have exclusive authority to resolve all disputes arising under the terms of Article I and II of this Agreement, as amended by the Agreement of December 4, 1975. Awards of the Board shall be subject to judicial review by proceedings in the United States District Court in the same manner and subject to the same provisions that apply to awards of the National Railroad Adjustment Board.

Section 10.

Amend to read as follows:

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

Section 15.

Revise to read as follows:

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 amendments made by this Article VII shall become effective 30 days after the effective date of this Agreement.

SUPPLEMENT C-3

NATIONAL RAILWAY LABOR CONFERENCE
1225 CONNECTICUT AVENUE, N.W., Washington, D.C.
20036
AREA CODE: 202-659-9320

December 4, 1975

Mr. James E. Yost, President
Railway Employees' Department, AFL-CIO
220 South State Street, Suite 1212
Chicago, Illinois 60604

Dear Mr. Yost:

This is to confirm our understanding with respect to the part of Article V of the Agreement of December 4, 1975 by which a new subsection, subsection 14(b), is added to Article VI of the Agreement of September 25, 1964.

Under the Agreement of September 25, 1964, prior to this amendment, the carriers have consistently argued that no damages could be awarded where a carrier did not comply with the advance notice requirements of Section 2 of Article II, as long as the carrier demonstrated that in other respects the subcontracting transaction in question was proper. However, the parties are agreed that compliance with the advance notice requirements may have a salutary effect in promoting mutually satisfactory resolution of subcontracting questions. Accordingly, the parties agreed upon the inclusion of new subsection 14(b), which is to be applicable at the discretion of the board and is to be the exclusive remedy provision relating to violations of the notice requirements of Section 2 of Article II. This amendment is not to prejudice in any way the positions the parties may take with respect to other types of alleged violations of Article II. Claims for damages growing out of such violations are to be determined as they would have been had this

amendment not been made -- that is, under former Section 14, now Section 14(a).

Yours very truly,

I concur William H. Dempsey

(Signed) James E. Yost

APPENDIX F

SHOPCRAFT UNION SHOP AGREEMENT

Effective February 16, 1953

UNION SHOP

Section 1.

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

Section 2.

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

Section 3.

(a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty days or more, are (1) furloughed on account of force reduction, or (2) on leave of absence, or (3) absent on account of sickness or disability, will not be required to maintain membership as provided in Section 1 of this agreement so long as they remain in such other employment, or furloughed or absent as herein provided, but they may do so at their option. Should such employees return to any service covered by the said Rules and Working

Conditions Agreements and continue therein thirty calendar days or more irrespective of the number of days actually worked during that period, they shall, as a condition of their continued employment subject to such agreements, be required to become and remain members of the organization representing their class or craft within thirty-five calendar days from date of their return to such service.

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

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

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

Section 4.

Nothing in this agreement shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member or if the

membership of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership. For purposes of this agreement, dues, fees, and assessments, shall be deemed to be "uniformly required" if they are required of all employees in the same status at the same time in the same organization.

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 the carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this agreement and who the organization therefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the carrier and the 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 then within ten calendar days of such receipt, so notify the employee concerned in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified who disputes the fact that he has failed to comply with the terms of this agreement, shall within a period of ten calendar days from the date of receipt of such notice, request 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 calendar days of the date of receipt of request therefor. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

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

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

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

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

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

(c) If within ten calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to

handle appeals under this agreement or his designated representative, the Chief Executive of the organization or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral.

The carrier, the organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty calendar days from the date of receipt of the request for his appointment and shall be final and binding upon the parties. The carrier the employee, and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

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

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

(f) The General Chairman of the organization shall notify the carrier in writing of the title(s) and address(es) of its representatives who are authorized to service and receive the notices described in this agreement. The carrier shall notify the General Chairman of the organization in writing of the titles(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 for a period in excess of sixty calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety calendar days from date of receipt of notice from the organization in cases where the

employee does not request a hearing. The employee whose employment is extended under the provisions of this section shall not, during such extension, retain or acquire any seniority rights. The position will be advertised as vacant under the bulletining rules of the respective agreements but the employee may remain on the position he held at the time of the last decision, or at the date of receipt of notice where no hearing is requested pending the assignment of the successful applicant, unless displaced or unless the position is abolished. The above periods may be extended by agreement between the carrier and the organization involved.

Section 7.

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

If the final determination under Section 5 of this agreement is that an employee's seniority and employment in a craft or class shall be terminated, no liability against the carrier in favor of the organization or other employees based upon alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the 60 or 90 day periods specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such periods, no provision of any other agreement between the parties hereto shall be used as the basis for a grievance or time or money claim by or on behalf of any employee against the carrier predicated upon any action taken by the carrier in applying or complying with this agreement or upon alleged violation, misapplication or non-compliance with any provisions of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated his continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8.

In the event that seniority and employment under the Rules and Working Conditions Agreement is terminated by the carrier under the provisions of this agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the organization shall indemnify and save harmless the carrier against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment; provided, however, that this section shall not apply to any case in which the carrier involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in

which case such carrier acts in collusion with any employee. Provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this agreement.

Section 9.

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

Section 10.

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

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

Section 11.

This agreement shall become effective on February 16, 1953, and is in full and final settlement of notices served upon the carrier by the organizations, signatory hereto, on or about February 5, 1951. It shall be construed as a separate agreement between the carrier and those employees represented by each organization signatory hereto. This agreement shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

APPENDIX G

DUES DEDUCTION AGREEMENT

Following is a synthesis of the dues deduction agreement between the National Conference of Firemen and Oilers and the Carrier for the convenience of the parties:

The National Conference of Firemen and Oilers (hereinafter called the "Brotherhood") has requested that the Carrier withhold and deduct from the wages of its employees who are represented by the Brotherhood, monthly membership dues, initiation fees and assessments and to pay over to the Brotherhood the amounts so deducted and withheld.

Section 1

Subject to the terms and conditions of this agreement, the Carrier shall periodically deduct and withhold from the wages of the employees subject to this agreement, who acquire and maintain membership in the Brotherhood, amounts equal to the monthly membership dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in the Brotherhood and shall pay the amount so deducted and withheld to the certified Financial Secretary of each local lodge, provided, however, that this requirement shall not be effective with respect to any individual employee until the Carrier shall have been furnished with a written wage assignment authorization to the Brotherhood of such membership dues, initiation fees and assessments, which wage assignment authorization shall be revocable in writing after the expiration of one year from the date of its execution, or upon the termination of this agreement, or upon the termination of the Rules and Working Conditions Agreement between the parties hereto, whichever occurs sooner.

The wage assignment authorization shall be in the form attached hereto and identified as Attachment "A" which by this reference is made a part hereof, and show all information called for.

The revocation of the wage assignment authorization shall be in the form attached hereto and identified as Attachment "B" which by this reference is made a part hereof.

Both the wage assignment authorization and the revocation of the wage assignment authorization forms shall be provided at the expense of the Brotherhood and shall be subject to approval by the Carrier.

The Brotherhood shall assume full responsibility for the procurement and execution of the Wage Assignment Authorization or the Wage Assignment Authorization Revocation and for delivery of such forms to the Manager-Payroll Accounting of the Carrier.

Section 2

(a) The designated officer of the Brotherhood shall furnish to the Manager-Payroll Accounting of the Carrier, not later than 30 days in advance of the fifth of the month in which the first payroll deductions are to be made, an initial list, by lodges, in triplicate, of all deductions to be made, showing the name, social security number and the amount to be made, showing the name, social security number and the amount to be deducted from the wages of each member who has signed a Wage Assignment Authorization. The signed wage authorizations shall be attached to the initial list of deductions to be made.

(b) The deductions will be made on a repetitive basis from the wages earned in the second pay period of the month only. The designated officer of the Brotherhood shall, each month, furnish to the Manager-Payroll Accounting, a certified statement, by lodges, covering (1) additions, (2) cancellations, and (3) changes in amount to be deducted not later than the fifth of the month in which deductions are to be made. The statement of additions, cancellations and changes shall be prepared in the form attached hereto and identified as Attachment "C", which by this reference is made a part hereof and which shall be provided at the expense of the Brotherhood. It shall be specifically stated on each such statement submitted the reason each name is being shown thereon, i.e., addition, cancellation or change in amount to be deducted. Statements covering additions or changes shall be supported by signed Wage Assignment Authorizations. Statements covering cancellations shall be supported by signed Wage Assignment Revocations. The following payroll deductions, as a minimum, will have priority over deductions in favor of the Brotherhood as provided for in this Agreement:

1. Federal, state and municipal taxes and other deductions required by law, including garnishments and attachments.

2. Amounts due the Carrier.

3. Insurance and hospitalization premiums.

(c) If the earnings of an employee are insufficient to remit the full amount of deduction for such employee, no deduction shall be made, and the same will not

be accumulated and deducted in subsequent months.

(d) No deductions will be made from other than the regular payrolls.

Section 3

This agreement shall cease to apply to any employee who may be adjudicated bankrupt or insolvent under any Federal or State laws, and any Wage Assignment Authorization given hereunder shall become void.

Section 4

The Carrier shall remit to the certified Financial Secretary of each local lodge the amount deducted from the wages of the members. The Carrier will make such remittance on or before the end of the month succeeding that in which deductions are made. The Carrier will, at the time of such remittance, furnish the certified Financial Secretary of each local lodge with an alphabetical list, in triplicate, of the employees from whom deductions were made, their Social Security Numbers, and the amount of such deductions. The deduction amounts may not be changed more often than once every three months. To initiate this handling, changes in "amounts" shall be shown on Attachment "C" scheduled to be submitted no later than the fifth of April, 1974, and every three months thereafter.

Section 5

Responsibility of Carrier under this agreement shall be limited to remitting to the Brotherhood amounts actually deducted from wages of the employees pursuant to this agreement, and the Carrier shall not be responsible to any employee for making deduction specified on a deduction list or for failure to do so. Any question arising as to the correctness of the amount listed and deducted shall be handled between the employee involved and the Brotherhood, and any complaints against the Carrier in connection therewith shall be handled by the Brotherhood on behalf of the employee concerned.

Section 6

The Manager-Payroll Accounting of the Carrier shall be furnished the name, address and title of Brotherhood Officer to whom deductions made pursuant to this agreement are to be forwarded. The Brotherhood will also advise the Manager-Payroll Accounting of the Carrier of any changes in names, addresses and titles of the Brotherhood Officer to whom deductions are to be forwarded, such original advice and advice of any changes to be in the hands of the

Manager-Payroll Accounting of the Carrier on or before the fifth day of the month in which deductions are to be made.

Section 7

No part of this agreement or any other agreement between the Carrier and the Brotherhood shall be used either directly or indirectly as a basis for any grievance or claim by or on behalf of any employee predicated upon any violation of, or misapplication or non-compliance with, any part of this agreement.

Section 8

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

Section 9

This agreement shall become effective January 1, 1974, and shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

ATTACHMENT "A"

WAGE ASSIGNMENT AUTHORIZATION - NATIONAL CONFERENCE OF FIREMEN AND OILERS

Manager-Payroll Accounting
Soo Line Railroad Company
Box 530
Minneapolis, MN 55440

I hereby assign to the National Conference of Firemen and Oilers that part of my wages necessary to pay my monthly union dues, initiation fees and assessments (not including fines and penalties), as provided for in the Dues Deduction Agreement entered into between the Carrier and the International Brotherhood of Firemen and Oilers effective January 1, 1974 and I hereby authorize the Soo Line Railroad Company to deduct and withhold from my wages all such sums and remit them to the certified Financial Secretary of the local lodge in accordance with the said Dues Deduction Agreement. This authorization may be revoked in writing by the undersigned at any time after the expiration of one year from the date of its execution, or upon the termination of the said Dues Deduction Agreement, or upon the termination of the Rules and Working Conditions Agreement between the Carrier and National Conference of Firemen and Oilers whichever occurs sooner.

My name is (print) _____ _____ _____
(First Name) (Middle Int) (Last Name)

My S.S.A. Number is _____

My Payroll Number is _____

_____
(Signature)

_____
(Department)

_____
(Position) (Work Location)

Date _____

ATTACHMENT "B"

WAGE ASSIGNMENT REVOCATION - NATIONAL CONFERENCE OF FIREMEN & OILERS

Manager Payroll Accounting
Soo Line Railroad Company
Box 530
Minneapolis MN 55440

Effective _____ I hereby revoke the wage assignment authorization now in effect assigning to the National Conference of Firemen and Oilers that part of my wages necessary to pay my monthly dues, initiation fees and assessments now being withheld pursuant to the Dues Deduction Agreement effective January 1, 1974 between the Carrier and the National Conference of Firemen and Oilers and I hereby cancel the authorization now in effect authorizing the Soo Line Railroad Company to deduct and withhold such monthly dues, initiation fees and assessments from my wages.

My name is (print) _____ _____ _____
(First Name) (Middle Int) (Last Name)

My S.S.S. Number is _____

My Payroll Number is _____

_____
(Signature)

_____
(Department)

_____
(Position) (Work Location)

Date _____

ATTACHMENT "C"

Manager Payroll Accounting
Soo Line Railroad Company
Box 530
Minneapolis MN 55440

Statement of additions, cancellations and changes in deductions for union dues authorized by wage assignment forms on file.

VENDOR _____

MONTH _____ 19_____ SUB-VENDOR _____

S.S.A. NUMBER LAST NAME INITIALS AMOUNT TO BE DEDUCTED

S.S.A. NUMBER	LAST NAME INITIALS	AMOUNT TO BE DEDUCTED

DATE _____

LOCATION _____ CERTIFIED _____

APPENDIX H

MECHANIC-IN-CHARGE

Agreement between the Carrier and System Federation No. 76 of the Railway Employees' Department, AFL-CIO concerning the use of Employees as "Mechanics in Charge" and subordinate personnel at outlying points.

1. At any outlying point a Mechanic may be designated as Mechanic in Charge and compensated at a monthly rate to cover services performed.

2. (a). At a point where service requirements necessitate the employment of Craftsmen, in addition to the Mechanic in Charge, Craftsmen will be employed. The Mechanic in Charge will be permitted to do any and all Craftsman work.

   (b). At points where Craftsmen, in addition to the Mechanic in Charge, are employed, mechanics of all crafts will be assigned in proportion to the work load involved. The Mechanic in Charge and the Craftsmen will be permitted to do any and all Craftsmen work, as stipulated in Article IV of the September 25, 1964 Agreement which reads as follows:

   > "ARTICLE IV - OUTLYING POINTS"
   >
   > At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman of any craft the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by agreement it shall be handled as hereinafter provided and pending the disposition of the dispute the carrier may proceed with or continue its designation."

   (c). Except by mutual agreement, paragraph 2(b) does not affect those positions occupied by carmen as of October 1, 1974. At points where carmen are presently performing locomotive work they will continue to do so unless mutually agreed otherwise.

3. Service requirements will govern assigned hours of Mechanic in Charge. All shifts of Craftsmen to consist of eight (8) hours consistent with Rules 3, 4, 5 and 6.

4. In filling positions of Mechanic in Charge, senior Mechanics at the point will be given preferred consideration, and the Mechanics of all crafts will be considered.

5. (a). Mechanic in Charge will be paid the basic Craftsman's hourly rate, based on 200 hours per month plus 30 cents per hour at points where no other employees are supervised.

(b). Mechanic in Charge will be paid the basic Craftsman's hourly rate, based on 200 hours per month plus 40 cents per hour where employees other than Craftsmen are supervised.

(c). Mechanic in Charge will be paid the basic Craftsman's hourly rate based on 200 hours per month plus 50 cents per hour where other Craftsmen are supervised.

NOTE: The 200 hours is based on the average number of working days per month (21.74) plus four (4) additional hours per week at time and one-half of straight time rate.

If it is found that this rule does not produce adequate compensation for certain of these positions by reason of the occupants thereof being required to work excessive hours, the salaries for these positions may be taken up for adjustment.

6. At points where bona fide Craftsmen are not available to meet service requirements, new positions or regular vacancies may be filled by qualified personnel upon reaching agreement between General Officers and General Chairman of craft involved.

7. An incumbent Supervisor working under the provisions of Article III-Assignment of Work - Use of Supervisors, of the Shop Craft Agreement of September 25, 1964, who assumed his present position prior to the date of this agreement, may be retained in his present position; however, his replacement shall be subject to the preceding paragraphs of this agreement.

8. (a). Employees accepting positions as Mechanic in Charge shall retain their seniority rights at the Shop, Roundhouse or Yard where they last held seniority rights if asserted within thirty (30) days after being relieved or relinquishing assignment as Mechanic in Charge.

(b). Mechanics in Charge will be governed by established district seniority, separated as to Car and Locomotive Departments.

(c). Insofar as Craftsmen are concerned, seniority will be confined to the point employed.

9. This Agreement will not preclude promotion to Mechanic in Charge of employees who come under the scope of Firemen and Oilers.

10. Employees covered by this Agreement shall be subject to the provisions of the Union Shop Agreement effective February 16, 1953, and shall maintain membership in the Organization representing the craft in which seniority is retained.

11. This Agreement will become effective October 1, 1974 and will continue in effect until terminated. The Agreement will be terminated upon thirty-one (31) days' written notice of request to do so by either party signatory hereto.

APPENDIX I

MEDICAL QUALIFICATION

Memorandum of Agreement Between the Carrier and its Employees Represented by Brotherhood of Railway Carmen of U.S. and Canada and International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers and International Brotherhood of Electrical Workers and National Conference of Firemen and Oilers.

When an employee is withheld from service because of his physical condition as a result of examination by the Carrier's physician, the Organization, upon presentation of a dissenting opinion as to thee employee's condition by a competent physician, may make written request within fifteen (15) days of the date withheld upon his employing officer for a neutral medical authority to review the withheld employee's case.

In case the employee is unable to obtain a dissenting opinion due to causes beyond his control, such as, but not limited to, absence of his personal physician, it may be submitted within 30 days provided he submits his written request within the 15-day period prescribed above and indicates the reasons for his inability to concurrently present the dissenting opinion.

Within fifteen days of the receipt of such request, the Carrier and the Organization shall, by mutual agreement, appoint such neutral medical authority, which medical authority shall be expert on and specializing in the disability from which the employee is alleged to be suffering.

The neutral medical authority so selected will review the employee's case from medical records furnished by the parties hereto and, if it considers it necessary, will make an examination of the employee. Said medical authority shall then make a complete report of its findings in duplicate, one copy to the Carrier and one copy to the Organization, setting forth the employee's condition and an opinion as to his fitness to continue service in his regular employment which will be accepted as final.

The Carrier and the employee shall each pay one-half of the fee and expenses of the neutral medical authority and any examination expenses which may be incurred, such as hospital, laboratory and x-ray services.

In the event the neutral medical authority concludes that the employee is fit to continue in service in his regular employment, such neutral medical authority shall also render a further opinion as to whether or not such fitness existed at the time the employee was withheld from service. If such further conclusion states that the employee possessed such fitness at the time withheld from service, the employee will be compensated for

actual loss of earnings and benefits, which are a condition of employment, during the period so withheld.

In the event the neutral medical authority concludes that the employee is not fit to continue in service in his regular employment, the Organization may, upon presentation of an opinion from a competent physician that the employee's condition has improved, request re-examination by the Carrier's physician. Such request will not be made for the first 90 days thereafter, nor more often than once in any 90-day period.

Employees required by the Carrier to take routine periodic physical and/or visual examination will not suffer reduction in compensation if such examination is directed to be taken during hours of their regular assignment. If required to do so during other than regularly assigned hours of their assignment, they will be allowed payment for time consumed in taking such examination at the basic pro rata rate but not to exceed four hours at such rate.

The above provisions are not applicable to new employees with less than 60 days of compensated service, applicants for employment or probationary employees.

APPENDIX J-1

ENTRY RATES OF PAY

ARTICLE III - RATE PROGRESSION - NEW HIRES

Article XI of the January 11, 1982 National Agreement and all other local rules governing rate progression or entry rates are eliminated and the following provisions are applicable.

Section III - Service First 60 Months

Employees entering service on or after the effective date of this Article on positions other than Powerhouse Mechanic, Stationary Engineer, Stationary Firemen, or higher classification, covered by an agreement with the organization signatory hereto shall be paid as follows during their first sixty (60) calendar months of service:

(a) For the first twelve (12) calendar months of employment, new employees shall be paid 75% of the applicable rates of pay (including COLA) for the class and craft in which service is rendered.

(b) For the second twelve (12) calendar months of employment, such employees shall be paid 80% of the applicable rates of pay (including COLA) for the class and craft in which service is rendered.

(c) For the third twelve (12) calendar months of employment, such employees shall be paid 85% of the applicable rates of pay (including COLA) for the class and craft in which service is rendered.

(d) For the fourth twelve (12) calendar months of employment, such employees shall be paid 90% of the applicable rates of pay (including COLA) for the class and craft in which service is rendered.

(e) For the fifth twelve (12) calendar months of employment, such employees shall be paid 95% of the applicable rates of pay (including COLA) for the class and craft in which service is rendered.

(f) An employee promoted to a higher class shall not be paid at a rate of pay lower than the rate he would have been paid had he remained in the lower class.

(g) When an employee has completed a total of sixty (60) calendar months of employment in any shop craft position (or combination thereof or attains a position referred to in the first paragraph of this Section 1) the provisions of sub-paragraphs (a)

to (e) above will no longer be applicable. Employees who have had a shop craft employment relationship with the carrier and are rehired in a shop craft position will be paid at the full applicable rate after completion of a total of sixty (60) calendar months combined employment.

(h) Employees who have had a previous employment relationship with a carrier in a craft represented by a shop craft organization and are subsequently hired by another carrier after the date of the Agreement shall be covered by this Article, as amended. However, such employees will receive credit toward completion of the entry rate period for any month in which compensated service was performed in such craft provided that such compensated service last occurred within one year from the date of re-employment.

(i) Any calendar month in which an employee does not render compensated service due to furlough, voluntary absence, suspension, or dismissal shall not count toward completion of the sixty (60) month period.

APPENDIX J-2

RATE PROGRESSION

Part 1

An employee who is subject to Article III- Rate Progression of the November 26, 1986 National Agreement on the effective date of this Section shall have his position on the rate progression scale adjusted to the next higher level provided he/she has met Level 1 core competency requirements established by Soo's mechanical department in consultation with the NCF&O General Chairman

Part 2

within ninety (90) days of the effective date of this agreement, the Company and NCF&O General Chairman will jointly agree upon the skills, knowledge, and ability which employees working under this Agreement must have or must acquire to meet Level 1 and Level 2 core competency requirements, and, as a result thereof, make themselves eligible for the following expedited rate progression.

The objective of this expedited rate progression is to provide incentives to and recognize employees who acquire the expertise needed to work most effectively and to better equip employees to accept promotions as they become available.

Level 1 When a current employee has demonstrated these skills, knowledge, and/or ability, he/she will be eligible for the adjustment in Part 1. A new employee, upon successful completion of the 60 day probationary period, who demonstrates these skills, knowledge and/or abilities will be eligible for expedited rate progression from 75% to 80%.

Any employee expedited to the 80% rate level will be eligible for another entry rate adjustment, either under Article III of the November 26, 1986, National Agreement or under Level 2 below, twelve months after the move to 80%.

Level 2 If an employee who has already reached Level 1 demonstrates these additional skills, knowledge, and/or ability, he/she will be eligible to receive an expedited adjustment to 90% of the rate.

Any employee who does not demonstrate the Level 1 expertise will continue to be in the normal rate progression under Article III of the November 26, 1986 Agreement. Any employee who qualifies for the

Level 1 adjustment and does not qualify for the Level 2 adjustment will be in the normal steps of rate progression subsequent to the 80% rate level in Article III of the November 26, 1986 Agreement.

An employee at the 90% rate progression level by virtue of demonstrating Level 2 expertise will move to 100% 12 months after having attained the 90% level.

Part 3

Hostler and Trackmobile Operator positions will not be subject to the entry rate provisions of Article III of the November 26, 1986 National Agreement or this Section.

APPENDIX J-3

RATE PROGRESSION

November 5, 1997

Mr. R. A. Burrill, General Chairman
National Conference of Firemen & Oilers
E. 9009 Euclid Avenue
Spokane WA 99212

Dear Mr. Burrill:

Letter of Understanding

It is hereby agreed that if upon completion of the 60 day probationary period an employee can demonstrate competency in three of the following areas (designated by management), he/she will be expedited from 75% to 80% and be considered as having met the Level 1 core competency requirements established by Soo's Mechanical Department and the NCF&O General Chairman as required under Section 4 Rate Progression of the July 9, 1997 Agreement.

Skill, knowledge and/or ability must be demonstrated in three of the following:

Bobcat operator, Forklift, track mobile, Hostler helper, Qualified in radio procedure, Valid Drivers license.

Management at the facility will ensure that a minimum of three of the above are available to the employee at the facility he/she is located in order to provide opportunity to demonstrate Level 1 expertise.

Any employee elevated to the 80% rate who becomes a qualified hostler within a mechanical facility and successfully completes courses approved by management related to electrical, mechanical, diesel welding and torches will be elevated to 90% after the expiration of 12 months and considered as having met Level 2 core competency requirements.

Any new hire, who has previously attended and successfully completed courses in electrical, mechanical, diesel, and/or welding and torches at a Technical/Trade School and such courses are approved by management, that individual will be given credit as completing the Level 2 course work portion above and would not be required to take additional courses in order to qualify for elevation to the 90% rate.

APPENDIX K

401 K PLAN

ARTICLE IV - 401K PLAN - From 10/15/91 Agreement

Effective January 1, 1992, the Soo Line Railroad will establish a 401 K Plan for active members of the National Conference of Firemen & Oilers in accordance with the provisions listed below.

A. All full time employees governed by the collective bargaining agreement between the National Conference of Firemen & Oilers and the Soo Line Railroad that are over age twenty-one (21) with six (6) months of service will be allowed to participate in the Plan.

B. Subject to an election by an eligible employee, the Carrier will arrange for payroll deductions to facilitate employee contributions to the Plan.

Employees may elect to contribute between 1 and 10% of their before-tax income to the Plan. The option to change this election will be afforded the first of each calendar year.

Employee contributions, adjusted for investment gain and losses, will be 100% vested.

Contributions will be limited to the maximum allowable under IRS regulations, which are currently $8,475, and are subject to an annual discrimination test.

C. A trustee will be delegated to invest funds contributed to the Plan in a choice of portfolios, based on the election made by the participating employee.

D. The Soo Line will establish a review board, consisting of an equal amount of Soo Line management and Union representatives, who will select the investment manager and additionally resolve disputes arising out of the administration of the Plan.

The Soo Line will be responsible for the administration of the Plan including the selection of the Plan's trustee and record keeper. As provided under the Employee Income Security Act (ERISA), the Plan will be subject to an annual audit by the Soo Line's external auditors.

E. An employee may withdraw his funds at any time after termination of employment or disability or after reaching age 59 1/2.

Active employees cannot withdraw these funds without a 10% early withdrawal penalty prior to age 59 1/2, unless they satisfy specific hardship withdrawal guidelines established by the IRS, which includes the purchase of a home, college tuition, and extreme medical expenses.

F. Soo will be responsible for the administrative costs related to the initial set up and ongoing administration of the Plan. The participating employee will be responsible for all investment management fees.

G. It is recognized that the 401K Plan, which permits the sheltering of income in such authorized programs, is derived from the application of Section 401(K) of the Internal Revenue Code, as amended, and is thus governed by statutes which may necessitate future amendments to this Plan.

APPENDIX L

ARTICLE V - **DEPENDENT CARE ASSISTANCE PLAN** - from 10/15/91 Agreement

Effective January 1, 1992, the Soo Line Railroad agrees to make available to all eligible employees working under the IBF&O schedule agreement the Soo Line Railroad Company Dependent Care Assistance Plan which is currently available to all exempt Soo employees. This Plan is established pursuant to Section 125 and 129 of the Internal Revenue Code. Detailed description of the Plan is attached in Appendix II of this document.

It is understood that this Plan will be offered to Firemen and Oilers on the same basis as it is available to exempt employees and the Soo Line may amend, modify or terminate the Dependent Care Plan at any time for any reason, so long as the changes thereto apply to exempt employees as well as union employees. In such case that the Soo Line would choose to terminate the Plan, thirty (30) days advance written notice shall be given to all active participants and the General Chairman.

This provision will remain in effect until a new agreement is negotiated pursuant to Section 6 Notices served subsequent to January 1, 1994, as provided in Article VII of this Agreement.

APPENDIX M

RATE SHEET

The following rates of pay are effective 7/01/09:

PAYRATE	JOB CLASS DESCRIPTION	POSITION TITLE
$20.11	Laborer	LABORER
$20.20	Lead Laborer	LEAD LABORER
$20.42	Hostler Helper	HOSTLER HELPER
$20.85	Hostler	HOSTLER
$21.76	Stationary Firemen	STATNRY FIREMAN
$4,280.06	Engine Watchman	ENGINE WATCHMAN
$20.85	Trackmobile Operator	TRACKMOBILE OPERATOR

Side Letter No. 12

Mr. Roger A. Burrill, General Chairman
National Conference of Firemen & Oilers
E. 9009 Euclid Avenue
Spokane, WA 99212

Dear Mr. Burrill:

Gainsharing

NCF&O and CPR hereby commit to design and implement an incentive performance based compensation program, Gainsharing. The fundamental premise of this program is that productivity in the workplace is enhanced by employees who are informed and knowledgeable about the business and understand the impact they can have on productivity and the achievement of defined, measurable improvements or goals.

This is an opportunity for employees to share in CPR's success by achieving jointly developed business targets and goals. The following guidelines will frame the program:

(1) NCF&O representatives and CPR management will jointly develop annual gainsharing goals, with gains measured from agreed upon baselines or the attainment of specific targets which the parties establish at the beginning of each calendar year; the first program will be for calendar year 2006.

(2) Goals and targets are to be aligned with CPR's corporate and departmental business plans and objectives – both annual and 4 year plan – People, Safety, Service, Productivity, and Financial. Agreed upon goals and targets may be systemwide, location specific or a combination thereof.

(3) Measurable savings generated by achieving the established goals or targets will be shared with employees on a 70/30 (CPR/employee) basis with annual payouts capped at 4% of

each employees previous years compensation for service rendered.

(4) Employees will be eligible for a payout for that year if they have performed sufficient service to earn a vacation the following year.

(5) NCF&O and CPR will jointly communicate to employees the agreed upon goals and targets at the beginning of each plan year. Employees will receive ongoing feedback as to results and will be informed and educated as to what they need to do to achieve identified goals or targets.

(6) Gainsharing payouts will be made by the end of the first quarter of the following year.

(7) A mechanism will be established whereby employees may suggest ideas for gainsharing goals and/or targets

(8) Except for calendar year 2006, it is agreed that this performance based compensation arrangement may be terminated by either party upon written notice to the other party no later than September 30th. Such termination will apply to the following calendar year and every year thereafter unless otherwise mutually agreed by the parties.

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

Sincerely,

Cathryn S. Frankenberg
AVP Labor Relations & Human Resources - US

I concur:

_____
Roger A. Burrill

Effective Date:_____

Side Letter No. 14

Mr. Roger A. Burrill, General Chairman
National Conference of Firemen & Oilers
E. 9009 Euclid Avenue
Spokane, WA 99212

Dear Mr. Burrill:

It is hereby agreed that employees electing to split one week of vacation on a one day at a time basis at the time vacations are scheduled may elect to take one week in no less than 4 hour increments to tend to personal business. Vacation time taken to tend to personal business in no less than a 4 hour increment may be taken with as much advance notice as possible but no less than 48 hours in advance of the employee's assigned start time, to the proper Company officer and will be allowed consistent with the needs of the operation.

Please indicate your concurrence by signing in the space below.

Sincerely,

Cathryn S. Frankenberg
AVP Labor Relations & Human Resources - US

I concur:

_____
Roger A. Burrill

Effective Date:_____