

CSXT LABOR AGREEMENT 1-051-94 AGREEMENT BETWEEN CSX TRANSPORTATION, INC. AND ITS EMPLOYEES REPRESENTED BY BROTHERHOOD OF LOCOMOTIVE ENGINEERS

In recognition of our partnership to foster innovative means of capturing traffic in markets not presently conducive to rail movement under pre existing technologies, operating conditions and service constraints, the Brotherhood of Locomotive Engineers, and CSX Transportation, Inc. have entered into this Agreement to introduce the Integral Train concept on the Pere Marquette District.

The parties recognized that the introduction of this new concept will provide the opportunity to capture and retain intermodal traffic for the railroad, which will, in turn, foster the growth of work opportunities for the Organizations' members.

Within the foregoing spirit, the parties agree:

1. Crews consisting of one engineer and one conductor from the respective rosters will be assigned to operate in integral train intermodal service.

2. (a). The initial service will operate between the Plymouth/Middlebelt area and Chicago, operating straightaway through Grand Rapids, with the initial home terminal at Plymouth. When it is no longer necessary to turn the locomotive, the home terminal may be moved to Middlebelt. Plymouth will be the supply point for vacancies.

(b). Before additional service is established, the parties will meet to determine the home terminal, supply point for protecting vacancies and to review any other issues necessary for the implementation of such service.

As a basic principle of our agreement, crews may operate throughout the PM District on flexible routings to meet service and market requirements; operating through and/or between terminals as required.

Each crew shall have an established home terminal, schedule and route of operation. Crews may be assigned to operate a trip between two away from home terminals; however, the next trip must be to the home terminal.

3. A Crew will have designated reporting times at each terminal, which may be changed from time to time to meet service requirements. If a change of reporting time; 1) disrupts the schedule to the extent that the return trip can not be made; or, 2) is in excess of four hours at any terminal, the crew will be abolished and a new crew advertised pursuant to Item 6. Reporting times will not be changed day to day; however, in cases of emergency, such as a line blockage, the crew may be advanced or deferred by contacting the crew at least three hours in advance of reporting time. If advanced, and a crew

member can not be contacted, he will be paid for the trip. If deferred, and the crew is unable to make the scheduled return trip, it will be transported to the next terminal under service pay to be in position for the next trip in the schedule.

4. Unless otherwise agreed, a crew will be scheduled to operate not more than an average of five days per week in a 28 day period. That is, a crew may have a schedule of six trips in the first and third week and four trips in the second and fourth week, or, as another example, a crew may have a schedule of six trips in the first two weeks, two trips in the third week, and then six trips in the fourth week.

5. For all service performed in this service, an hourly rate of \$28.00 (subject to General Wage Increases after July 1, 1994) will be paid calculated on the basis of an eight hour basic day. Service in excess of eight hours on duty for a trip will be paid for on the minute basis at time and one half rate.

Except as provided in Item 8 and Side Letters 2 no other payments, such as arbitraries, constructive allowances, or special allowances will be made as a result of operation of these crews.

NOTE: Arbitrarities and special allowances should include such items as ITD, FTD, pay for assists, air hose pay, etc. The terms do not include penalty payments for violations of the Collective Bargaining Agreement.

6. When service is established, assignments will be advertised to PM District Engineers for ten days in advance of the effective date of an assignment, closing on the seventh day after advertisement. Qualifications being equal, the senior employee, prior rights being considered, making application will be awarded the assignment. Qualified employees may bid for or displace to assignments in this service for a minimum of two bi weekly pay periods and will not be subject to displacement during such periods, except that a senior qualified employee with displacement rights may displace to an assignment effective 12:01 a.m. the first day of any succeeding pay period. Employees in this service may voluntarily leave an assignment after being in the service for a minimum of two bi weekly pay periods, provided they leave the service at the end of a pay period and a qualified employee is available. If a qualified employee is not available, the employee leaving the service may be required to remain on the assignment an additional pay period. However, in circumstances where a personal hardship exists, the employees may request and be granted an immediate release from the assignment after having worked two bi weekly pay periods.

7. Employees holding such assignments will continue to receive credit for vacation and/or pension benefits under the applicable pre existing labor agreement. As assignments in this service are hourly rated jobs without a mileage component, the provisions of the respective holiday pay rules will apply.

8. Employees in this service will be covered by the "Expenses Away From Home" provisions of the respective National Agreements, and any subsequent amendments thereto, when tied up at other than the home terminal.

9. Suitable and appropriate lodging accommodations will be provided by the Carrier each time an employee is tied up for rest at other than the home terminal. Transportation will be provided between the release point and the

lodging facility.

10. Extra employees may be used, when qualified, from the respective working lists at the home terminal when assigned employees are unavailable. Vacation vacancies and known vacancies in excess of five days may be claimed by qualified employees from the respective working lists.

NOTE: The parties shall meet and agree to resolve any issues that may arise in the details of claiming vacation and/or known vacancies in this service.

11. As part of their normal assignment, crews in this service may be required to perform certain customer service work such as contacting receivers and/or shippers via cellular phones or other means of communication to provide information covering movement of the customers traffic.

12. It is understood that employees assigned to the service being established pursuant to this Agreement will not be used in other classes of service. When "conventional" railroad equipment is being used in this service, crews will not be required to pick up or set out any cars or equipment not associated with the operation contemplated by this Agreement. However, should this occur, a penalty payment of eight hours pay at the rate established by Item 4 will be made to each crew member.

13 (a). For convenience, references to gender, if any, in this Agreement are made in the masculine gender. It is understood and agreed by the parties to this Agreement that references to the masculine gender include both the masculine gender and the feminine gender.

(b). This Agreement has been entered into with the understating that it will not establish a precedent nor will it be referred to in the handling of any other matter or negotiations.

(c). This Agreement shall be effective upon the signing date below, and remain in effect subject to change or revision in accordance with the Railway Labor Act, as amended.

(d). The parties agree not to serve any notices pursuant to the Railway Labor Act which would seek changes in the operational terms of this Agreement covering this specific service prior to July 1, 1999, not to become effective until on or after January 1, 2000.

(e). Further, it is agreed that any notice served by the Organizations signatory hereto will be confined to matters involving rates of pay and related economic issues.

Signed at Detroit, Michigan this 28th day of October, 1994.

FOR THE EMPLOYEES:

FOR THE CARRIER:

D. M. Menefee
Relations

Senior Director Employee

General Chairman

CSX Transportation, Inc.

APPROVED:

C. V. Monin

First Vice President

October 17, 1994

CSXT LABOR AGREEMENT 1-051-94

Side Letter 1

Mr. D. M. Menefee, General Chairman
Brotherhood of Locomotive Engineers
645 Mayport Road, Suite 2
Atlantic Beach, FL 32233

Dear Mr. Menefee:

This will confirm our understandings in connection with CSXT Labor Agreement 1-051-94.

1. Employees who are not qualified on the physical characteristics of all of the line of road to be covered by the initial assignments will be permitted to bid in the initial assignments and pilots will be provided for a reasonable period of time.

After the service has been established, senior employees with an employment relationship in train and engine service as of the effective date of this agreement desiring to enter this service who are not qualified on the physical characteristics of all of the line of road to be covered by an assignment they desire to work and have sufficient seniority to displace to, will be permitted to qualify under pay by taking qualifying trips in regular service on the territory on which they need to qualify. For example, an engineer not qualified between Grand Rapids and Chicago will take qualifying trips on pool turns in order to qualify on that line of road. When qualified, the senior employee may displace an assignment in the integral train service in accordance with the procedures in Item 6. of CSXT Labor Agreement 1-051-94.

When new technology is introduced in this service, training will be provided to incumbent employees without loss of time. Simulators and/or trainers will be made available from time to time to permit other employees on the district to qualify on the technology.

2. The Carrier recognizes its responsibility to design a crew cab unit for the integral train element that is equipped with the appropriate safety and comfort features. The General Chairman, or his designated representatives, will be invited to review the design concepts for their input which the Carrier will give consideration in the final design of the cab unit.

3. When it is necessary to provide Hours of Service or Emergency relief on line of road for crews in this service, extra engineers will be called from the respective subdivisions extra boards and will be used for relief and emergency service. That is to say, if an eastbound crew must be relieved west of Lansing or a westbound crew must be relieved at any location, the appropriate Grand Rapids extra board engineer will be used. If an eastbound

crew must be relieved east of Lansing, a Plymouth extra board crew will be used.

4. Nothing in the Agreement shall be construed as establishing Plymouth/Detroit as a road terminal for service other than service established pursuant to this Agreement.

If this properly reflects our understandings, please sign in the space provided below.

Very truly yours,

J. T. Williams
Senior Director

Employee Relations

I CONCUR:

D. M. Menefee

General Chairman

APPROVED:

C.V. Monin
First Vice President

October 17, 1994
Jacksonville, FL 32202

CSXT Labor Agreement 1-051-94

Side Letter 2

Mr. D. M. Menefee, General Chairman
Brotherhood of Locomotive Engineers
645 Mayport Road, Suite 2
Atlantic Beach, FL 32233

Dear Sir:

This will confirm the following understandings in connection with CSXT Labor Agreement 1-051-94:

1. Protected" engineers, for purposes of this side letter defined as engineers covered by the terms of Article V, Section 2 (b), of the November 7, 1991 Implementing Agreement, will continue to receive the \$12 (\$15 effective 1-1-95) Special Pay Differential for working without a fireman and with a reduced train crew until such time as CSXT Labor Agreement 1-051-94 is amended under the terms of that Agreement. "Protected" engineers will also be entitled to the Differential addressed in Side Letter No. 20 of the May 16, 1986 National Agreement (currently (\$8.12) for assignments without a mileage

component) for working without a fireman and with a reduced train crew.

2. The Carrier will annually provide thirty shares of CSX stock per full year for each assignment in this service for the benefit of "protected" engineers assigned thereto. The shares will be issued to the engineers no later than February 15 of each succeeding year to eligible employees based on the following:

a) When an assignment is on for a portion of a year, or is only worked by a "protected" engineer a portion of the year, the thirty shares of stock will be prorated based on the number of days worked by "protected" engineers divided by 260.

b) When an assignment is worked during a year (or portion thereof) by two or more "protected" engineers, the allotted shares of stock will be issued based on the percentage of the period worked by the respective engineers.

Example 1: An assignment is only established for and worked by a protected engineer for 130 trips in 1995. $130/260 = .50$. Therefore, 15 shares of stock will be issued.

Example 2: An assignment worked the full year in 1995 and was protected by Engineer Jones for 40% of the year and by Engineer Smith for 60% of the year. Jones will receive 12 shares and Smith will receive 18 shares.

3. "Protected" engineers assigned to this service may substitute personal leave days for holiday pay on a one for one basis after having been assigned in this service a minimum of ninety days. An engineer qualifying for personal leave days may not receive pay for more than, in combination, eleven personal leave days or paid holidays. Personal leave days may only be taken on such days as the engineer is assigned to work in this service and will be paid on the basis of an eight hour day in this service.

If this properly reflects our understandings, please sign in the space below.

Very truly yours,

J. T. Williams

Senior Director

Employee Relations

I CONCUR:

D. M. Menefee

General Chairman

APPROVED:

C. V. Monin

First Vice President

October 17, 1994

Jacksonville. FL 32202

CSXT Labor Agreement No. 1-051-94

Side Letter No. 3

Mr. D. M. Menefee, General Chairman
Brotherhood of Locomotive Engineers
645 Mayport Road, Suite 2
Atlantic Beach, FL 32233

Dear Mr. Menefee:

In connection with CSXT Labor Agreement No. 1-051-94, this confirms our understanding that this agreement permits only the operation of so called Iron Highway service through the terminal of Grand Rapids. This agreement does not affect the operation of any other service out of Grand Rapids including SOO Line trains.

It is not anticipated that CSXT Labor Agreement No. 1-051-94 will have an adverse affect to the operation of the SOO Line Trains in this corridor. The parties fully recognize that the SOO Line Traffic is high priority traffic and will remain so after the implementation of the Iron Highway Service.

If the above correctly reflects our understanding please sign in the space provided below.

Very truly yours,
J. T. Williams
Senior Director
Employee Relations

I CONCUR:

D. M. Menefee, General Chairman

APPROVED:

C. V. Monin, First Vice President

CSXEmployee Relations

October 17, 1994 Jacksonville. FL 32202

CSXT Labor Agreement 1-051-94

Side Letter No. 4

Mr. D. M. Menefee, General Chairman
Brotherhood of Locomotive Engineers
645 Mayport Road, Suite 2
Atlantic Beach, FL 32233

Dear Mr. Menefee:

Listed below are agreed to Questions and Answer pertaining to the provisions of CSXT Labor Agreement 1-051-94:

- Q-1: What is the minimum compensation due an engineer for service performed, separate deadhead trips and called and not used?
- A-1: 8 hours.
- Q-2: What conditions will apply to the personal leave day provisions of Item 3, Side letter No. 2?
- A-2: Personal leave days will be administered in the same manner for engineers as they are for other employees who are governed by similar personal leave day provisions.
- Q-3: When engineers are regularly assigned in "Iron Highway" service are they guaranteed 8 hours pay for each day that they are scheduled to work as stipulated in the advertisement?
- A-3: Yes.
- Q-4: Does the carrier have the right to abolish regularly assigned positions in this service?
- A-4: Yes.
- Q-5: Paragraph 6 of CSXT Labor Agreement 1-051-94 provides that, when a hardship exists an engineer may be released from Iron Highway service before working two bi-weekly payroll periods, who determines if a hardship exists?
- A-5: The BLE General Chairman and the designated Employee Relations Representative.
- Q-6: Who will determine if a lodging facility meets the requirements of paragraph 9 of CSXT Labor Agreement 1-051-94?
- A-6: The BLE Local Chairman and the designated carrier representatave.
- Q-7: How will engineers be compensated when qualifying for Iron Highway service pursuant to Side Letter 2, paragraph 2 of Item 1.?
- A-7: They will be compensated the same as the engineer that they are qualifying with.

If the above correctly reflects our understanding, please sign in the space provided below:

Very truly yours,

J. T. Williams

Senior Director

AGREED:

D. M. Menefee, General Chairman

APPROVED:

C. V. Monin, First Vice President

October 17, 1994
Jacksonville FL 32202

File: Iron Highway

C. V. Monin, First Vice President
Brotherhood of Locomotive Engineers
Standard Building
1370 Ontario Street
Cleveland, Ohio 44113-1701

Mr. D. M. Menefee, General Chairman
Brotherhood of Locomotive Engineers
645 Mayport Road, Suite 2
Atlantic Beach, FL 32233

Gentlemen:

This refers to our several conversations concerning the proposed "so called" IRON HIGHWAY AGREEMENT, and your concern relative to the level of compensation that will be paid to Engineers and Conductors and the long standing pay differential that has existed between the crafts of engineer and conductor.

This confirms our intentions that CSXT Labor Agreement 1-051-94, does not represent an agreement between the parties that the pay differential existing between the two crafts (Engineer and Conductor), is modified or changed in any manner by CSXT Labor Agreement 1-051-94. The historical pay differential between the two crafts is preserved and recognized in elements of compensation other than the standard daily basic rate of pay. In this agreement the pay differential is expressed in terms such as, the preservation for the life of the agreement of the Differential addressed in Side Letter No. 20 of the May 16, 1986 National Agreement (currently \$8.12) and the \$12.00 (\$15.00 effective 1-1-95) short crew allowance established by PEB 219 for service performed pursuant to the terms of the agreement. Also, the establishment of a 401K plan for engineers; the granting of personal leave days, and the providing of thirty (30) shares of CSX stock per year to engineers in this service, who qualify pursuant to the terms of Side Letter No. 2 of CSXT Labor Agreement 1-051-94. The parties fully recognize that the pay differential is represented by different elements of compensation, in lieu of the historical differential in the basic day's pay that has existed between the two crafts.

CSXT Labor Agreement 1-051-94 in a special agreement that was initiated by the parties to attract new business and provided additional job opportunities for CSXT employees. This agreement does not represent an agreement that establishes or recognizes pay parity between the two crafts.

Carrier again, confirms its commitment that this agreement is made without prejudice to the position of the Brotherhood of Locomotive Engineers and CSX Transportation, INC., relative to rates of pay and working conditions. This agreement will not be referred to in the handling of any other matter or negotiations.

If the above reflects our understanding regarding the intent of the parties representing the terms and conditions of CSXT Labor Agreement 1-051-94, please sign in the space provided below.

Very truly yours,

J. T. Williams

Senior Director

Labor Relations

I CONCUR:

D. M. Menefee, General Chairman

Brotherhood of Locomotive Engineers

APPROVED:

C. V. Monin, First Vice President

Brotherhood of Locomotive Engineers