IMPOSED AGREEMENT

THIS IMPOSED AGREEMENT, made this 27th day of November, 1991, by and between the participating carriers listed in Exhibit A attached hereto and hereby made a part hereof, and represented by the National Carriers' Conference Committee, and the employees shown thereon and represented by the International Brotherhood of Electrical Workers, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - Lump Sum Payment

Each employee subject to this Imposed Agreement who qualified for an annual vacation in the calendar year 1991 will be paid $2,000. Those employees who during the calendar year 1990 failed to qualify for an annual vacation in the calendar year 1991 will be paid a proportional share of that amount, based on the percentage of the qualifying period satisfied. This Section shall be applicable solely to those employees subject to this Imposed Agreement who had an employment relationship as of July 29, 1991 or who have retired or died subsequent to January 1, 1990. There shall be no duplication of lump sum payments by virtue of employment under an agreement with another organization.

Section 2 - First General Wage Increase

Effective July 1, 1991, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 1991 for employees covered by this Imposed Agreement shall be increased in the amount of three (3) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 2 shall be applied as follows:

(a) Hourly Rates -

Add 3 percent to the existing hourly rates of pay.

(b) Daily Rates -

Add 3 percent to the existing daily rates of pay.

(c) Weekly Rates -

Add 3 percent to the existing weekly rates of pay.

(d) Monthly Rates -

Add 3 percent to the existing monthly rates of pay.

(e) Disposition of Fractions -

Rates of pay resulting from application of paragraphs (a) to (d), inclusive, above which end in fractions of a cent shall be rounded to the nearest whole cent, fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(f) Application of Wage Increase -

The increase in wages provided for in this Section 2 shall be applied in accordance with the wage or working conditions agreement in effect between each carrier and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid for.

Section 3 - Second General Wage Increase

Effective July 1, 1993, all hourly, daily, weekly and monthly rates of pay in effect on June 30, 1993 for employees covered by this Imposed Agreement shall be increased in the amount of three (3) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 2 hereof.

Section 4 - Third General Wage Increase

Effective July 1, 1994, all hourly, daily, weekly and monthly rates of pay in effect on June 30, 1994 for employees covered by this Imposed Agreement shall be increased in the amount of four (4) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 2 hereof.

ARTICLE II - COST-OF-LIVING PAYMENTS

PART A - Cost-of-Living Lump Sum Payments Through January 1, 1995

Section 1 - First Lump Sum Cost-of-Living Payment

Subject to Sections 6 and 7, employees with 2,000 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements) during the period April 1, 1991 through March 31, 1992, will receive a lump sum payment on July 1, 1992 of $1,019.00.

Section 2 - Second Lump Sum Cost-of-Living Payment

Subject to Sections 6 and 7, employees with 1,000 or more straight time hours paid for (not including any such hours reported to the ICC as constructive allowances except vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements) during the period April 1, 1992 through September 30, 1992, will receive a lump sum payment on January 1, 1993 equal to the difference between (i) $1,019.00, and (ii) the lesser of $510.00 and one quarter of the amount, if any, by which the carriers' 1993 payment rate for foreign-to-occupation health benefits under the Railroad Employees National Health and Welfare Plan (the "Plan") exceeds the sum of (a) the amount of such payment rate for 1992 and (b) the amount per covered employee that will be taken during 1993 from that certain special account maintained at The Travelers Insurance Company known as the "Special Account Held in Connection with the Amount for the Close-Out Period" (the "Special Account") to pay or provide for Plan foreign-to-occupation health benefits.

Section 3 - Third Lump Sum Cost-of-Living Payment

Subject to Sections 6 and 7, employees with 2,000 or more straight time hours paid for (not including any such hours reported to the ICC as constructive allowances except vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements) during the period October 1, 1992 through September 30, 1993, will receive a lump sum payment on January 1, 1994 equal to the difference between (i) $1,049.00, and (ii) the lesser of $525.00 and one quarter of the amount, if any, by which the carriers' 1994 payment rate for foreign-to-occupation health benefits under the Plan exceeds the sum of (a) the amount of such payment rate for 1993 and (b) the amount per covered employee that will be taken during 1994 from the Special Account to pay or provide for Plan foreign-to-occupation health benefits.

Section 4 - Fourth Lump Sum Cost-of-Living Payment

Subject to Sections 6 and 7, employees with 2,000 or more straight time hours paid for (not including any such hours reported to the ICC as constructive allowances except vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements) during the period October 1, 1993 through September 30, 1994, will receive a lump sum payment on January 1, 1995 equal to the difference between (i) $727.00, and (ii) the lesser of $364.00 and one quarter of the amount, if any, by which the carriers' 1995 payment rate for foreign-to-occupation health benefits under the Plan exceeds the amount of such payment rate for 1994.

Section 5 - Definition of Payment Rate for Foreign-to-Occupation Health Benefits

The carrier's payment rate for any year for foreign-to-occupation health benefits under the Plan shall mean twelve times the payment made by the carriers to the Plan per month (in such year) per employee who is fully covered for employee health benefits under the Plan. Carrier payments to the Plan for these purposes shall not include the amounts per such employee per month (in such year) taken from the Special Account, or from any other special account, fund or trust maintained in connection with the Plan, to pay or provide for current Plan

benefits, or any amounts paid by remaining carriers to make up the unpaid contributions of terminating carriers pursuant to Article III, Part A, Section 1 hereof.

Section 6 - Employees Working Less Than Full-Time

For employees who have fewer straight time hours (as defined) paid for in any of the respective periods described in Sections 1 through 4 than the minimum number set forth therein, the dollar amounts specified in Section 1 and clause (i) of Sections 2-4 thereof shall be adjusted by multiplying such amounts by the number of straight time hours (including vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements) for which the employee was paid during the applicable measurement period divided by the defined minimum hours. For any such employee, the dollar amounts described in clause (ii) of Sections 2-4 shall not exceed one-half of the dollar amounts specified in clause (i) thereof, as adjusted pursuant to this Section.

Section 7 - Lump Sum Proration

In the case of any employee subject to wage progression or entry rates, the dollar amounts specified in Section 1 and clause (i) of Sections 2 through 4 shall be adjusted by multiplying such amounts by the weighted average entry rate percentage applicable to wages earned during the specified determination period. For any such employee, the dollar amounts described in clause (ii) of Sections 2 through 4 shall not exceed one-half of the dollar amounts specified in clause (i) thereof, as adjusted pursuant to this Section.

Section 8 - Eligibility for Receipt of Lump Sum Payments

The lump sum cost-of-living payments provided for in this Article will be payable to each employee subject to this Imposed Agreement who has an employment relationship as of the dates such payments are made or has retired or died subsequent to the beginning of the applicable base period used to determine the amount of such payments. There shall be no duplication of lump sum payments by virtue of employment under an agreement with another organization.

PART B - Cost-of-Living Allowance and Adjustments Thereto After January 1, 1995

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

(a) A cost of living allowance will be payable in the manner set forth in and subject to the provisions of this Part, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the BLS CPI. The first such cost-of-living allowance shall be payable effective July 1, 1995 based, subject to paragraph (d), on the BLS CPI for September 1994 as compared with the BLS CPI for March 1995. Such allowance, and further cost-of-living adjustments thereto which will become effective as described below, will be based on the change in the BLS CPI during the respective measurement periods shown in the following

table, subject to the exception provided in paragraph (d)(iii), according to the formula set forth in paragraph (e).

Measurement Periods		
Base Month	Measurement Month	Effective Date of Adjustment
September 1994	March 1995	July 1, 1995
March 1995	September 1995	January 1, 1996

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

(b) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight time, overtime, protected rates, vacations, holidays and personal leave days in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to special allowances and arbitraries representing duplicate time payments.

(c) The amount of the cost-of-living allowance, if any, that will be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.

(d) (i) Cap. In calculations under paragraph (e), the maximum increase in the BLS CPI that will be taken into account will be as follows:

Effective Date of Adjustment	Maximum CPI Increase That May Be Taken Into Account
July 1, 1995	3% of September 1994 CPI
January 1, 1996	6% of September 1994 CPI, less the increase from September 1994 to March 1995

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

(ii) Limitation. In calculations under paragraph (e), only fifty (50) percent of the increase in the BLS CPI in any measurement period shall be considered.

(iii) If the increase in the BLS CPI from the base month of September 1994 to the measurement month of March 1995 exceeds 3% of the September

base index, the measurement period that will be used for determining the cost-of-living adjustment to be effective the following January will be the 12-month period from such base month of September; the increase in the index that will be taken into account will be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account will be 6% of such September base index less the 3% mentioned in the preceding clause, to which will be added any residual tenths of points which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which will have become effective July 1, 1995 during such measurement period.

(iv) Any increase in the BLS CPI from the base month of September 1994 to the measurement month of September 1995 in excess of 6% of the September 1994 base index will not be taken into account in the determination of subsequent cost-of-living adjustments.

(v) The procedure specified in subparagraphs (iii) and (iv) will be applicable to all subsequent periods during which this Article is in effect.

(e) Formula. The number of points change in the BLS CPI during a measurement period, as limited by paragraph (d), will be converted into cents on the basis of one cent equals 0.3 full points. (By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)

The cost-of-living allowance in effect on December 31, 1995 will be adjusted (increased or decreased) effective January 1, 1996 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the BLS CPI during the applicable measurement period. Any residual tenths of a point resulting from such division will be dropped. The result of such division will be added to the amount of the cost-of-living allowance in effect on December 31, 1995 if the BLS CPI will have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index will have been lower at the end than at the beginning of the measurement period and then, only, to the extent that the allowance remains above zero. The same procedure will be followed in applying subsequent adjustments.

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

Section 2 - Payment of Cost-of-Living Allowances

(a) The cost-of-living allowance payable to each employee effective July 1, 1995 shall be equal to the difference between (i) the cost-of-living allowance in effect on that date pursuant to Section 1 of this Part, and (ii) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1995 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1994, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, but not more than one-half of the amount specified in clause (i) above. For the purpose of the foregoing calculation, the amount of any increase described in clause (ii) that has been taken into account in determining the amount received by the employee as a lump sum payment on January 1, 1995 shall not be taken into account.

(b) The cost-of-living allowance payable to each employee effective January 1, 1996, shall be equal to the difference between (i) the cost-of-living allowance in effect on that date pursuant to Section 1 of this Part, and (ii) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1996 payment rate for foreign-to-occupation health benefits under the Plan over the amount of such payment rate for 1995, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, but not more than one-half of the amount specified in clause (i) above.

(c) The procedure specified in paragraph (b) shall be followed with respect to computation of the cost-of-living allowances payable in subsequent years during which this Article is in effect.

(d) The definition of the carriers' payment rate for foreign-to-occupation health benefits under the Plan set forth in Section 5 of Part A shall apply with respect to any year covered by this Section.

(e) In making calculations under this Section, fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

Section 3 - Application of Cost-of-Living Allowances

The cost-of-living allowance provided for in this Part will not become part of basic rates of pay. Such allowance will be applied as follows:

(a) Hourly Rates - Add the amount of the cost-of-living allowance to the hourly rate of pay produced by application of Article I.

(b) Daily Rates - Determine the equivalent hourly rate by dividing the established daily rate by the number of hours comprehended by the daily rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the daily rate shall be added to the daily rate produced by application of Article I.

(c) Weekly Rates - Determine the equivalent hourly rate by dividing the established weekly rate by the number of hours comprehended by the weekly rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the weekly rate shall be added to the weekly rate produced by application of Article I.

(d) Monthly Rates - Determine the equivalent hourly rate by dividing the established monthly rate by the number of hours comprehended by the monthly rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the monthly rate shall be added to the monthly rate produced by application of Article I.

(e) Minimum Daily Increases - The increase in rates of pay described in paragraphs (a) through (d), inclusive, shall be not less than eight times the applicable increase per hour for each full time day of eight hours, required to be paid for by the rules agreement. In instances where under the existing rules agreement an employee is worked less than eight hours per day, the increase will be determined by the number of hours required to be paid for by the rules agreement.

(f) Application of Wage Increases - The increase in wages produced by application of the cost-of-living allowances shall be applied in accordance with the wage or working conditions agreement in effect between each carrier and its employees represented by the Organization signatory to this Imposed Agreement. Special allowances not included in said rates and arbitraries representing duplicate time payments will not be increased.

Section 4 - Continuation of Part B

The arrangements set forth in Part B of this Article shall remain in effect according to the terms thereof until revised by the parties pursuant to the Railway Labor Act.

ARTICLE III - HEALTH AND WELFARE PLAN AND EARLY RETIREMENT MAJOR MEDICAL BENEFIT PLAN

Part A - Health and Welfare Plan

Section 1 - Continuation of Plan

The Railroad Employees National Health and Welfare Plan (the "Plan"), modified as provided in this Part, will be continued subject to the provisions of the Railway Labor Act, as amended. Contributions to the Plan will be offset by the expeditious use of such amounts as may at any time be in Special Account

A or in one or more special accounts or funds maintained by any insurer, third party administrator or other entity in connection with the Plan and by the use of funds held in trust that are not otherwise needed to pay claims, premiums, or administrative expenses that are payable from funds held in trust; provided, however, that such amounts as may at any time be in that certain special account maintained at The Travelers Insurance Company, known as the "Special Account Held in Connection with the Amount for the Close-Out Period," relating to the obligations of the Plan to pay, among other things, benefits incurred but not paid at the time of termination of the Plan in the event such termination should occur, shall be used to pay or provide for Plan benefits as follows: one-third of the balance in such special account as of January 1, 1992, shall be used to pay or provide for benefits that become due and payable during 1992. One-half of the balance in such special account as of January 1, 1993, shall be used to pay or provide for benefits that become due and payable during 1993. All of the balance in such special account in excess of $25 million as of January 1, 1994, shall be used to pay or provide for benefits that become due and payable during 1994. The $25 million referred to in the preceding sentence shall be maintained by the Plan as a cash reserve to protect against adverse claims experience from year to year.

In the event that a carrier participating in the Plan defaults for any reason, including but not limited to bankruptcy, on its obligation to contribute to the Plan, and the carrier's participation in the Plan terminates, the carriers remaining in the Plan shall be liable for any Plan contribution that was required of the terminating carrier prior to the effective date of its termination, but not paid by it. The remaining carriers shall be obligated to make up in a timely fashion such unpaid contribution of the terminating carrier in pro rated amounts based upon their shares of Plan contributions for the month immediately prior to such default.

Section 2 - Change to Self-Insurance

Except for life insurance, accidental death and dismemberment insurance, and all benefits for residents of Canada, the Plan will be wholly self-insured and administered, under an administrative services only arrangement, by an insurance company or third party administrator.

Section 3 - Joint Plan Committee

The Joint Policyholder Committee shall be renamed the Joint Plan Committee. This change in name shall not in any way change the functions and responsibilities of the Committee.

A neutral shall be retained by and at the expense of the Plan for the duration of this Imposed Agreement to consider and vote on any matter brought before the Joint Plan Committee (formerly the Joint Policyholder Committee), arising out of the interpretation, application or administration (including investment policy) of the Plan, but only if the Committee is deadlocked with respect to the matter. A deadlock shall occur whenever the carrier members of the Committee, who shall have a total of one vote regardless of their number, and the organization members of the Committee, who shall also have a total of one

vote regardless of their number, do not resolve a matter by a vote of two to nil and either side declares a deadlock.

If the members of the Joint Plan Committee cannot agree upon a neutral within 30 days of the date this Imposed Agreement becomes effective, either side may request the National Mediation Board to provide a list of seven persons from which the neutral shall be selected by the procedure of alternate striking. Joint Plan Committee members and the neutral shall, to the extent required by ERISA, be bonded at the expense of the Plan. The Joint Plan Committee shall have the power to create such subcommittees as it deems appropriate and to choose a neutral chairman for such subcommittees, if desired.

Section 4 - Managed Care

Managed care networks that meet standards developed by the Joint Plan Committee, or a subcommittee thereof, concerning quality of care, access to health care providers, and cost-effectiveness, shall be established wherever feasible as soon as practicable. Until a managed care network is established in a given geographical area, individuals in that area who are covered by the Plan will have the comprehensive health care benefit coverage described in Section 5 of this Part A. Each employee in a given geographical area who is a Plan participant at the time a managed care network is established in that area will be enrolled in the network (along with his or her covered dependents) unless the employee provides timely written notice to his or her employer of an election to have (along with his or her covered dependents) the comprehensive health care benefit coverage rather than to be enrolled in the network. Any such employee who provides such timely written notice shall have an annual opportunity to revoke his or her election by providing a written notice of revocation to his or her employer at least sixty days prior to January 1 of the calendar year for which such revocation shall first become effective. Similarly, each employee in a given geographical area who is a Plan participant at the time a managed care network is established in that area and is thereafter enrolled in the network (along with his or her covered dependents) shall have an annual opportunity to elect to have (along with his or her covered dependents) the comprehensive health care benefit coverage rather than continue to be enrolled in the network. This election may be made by such an employee by providing written notice thereof to his or her employer at least sixty days prior to January 1 of the calendar year for which the election shall first become effective. Each employee hired after a managed care network is established in his or her geographic area (and his or her covered dependents) will be enrolled in the network and may not thereafter elect to be covered by the comprehensive benefits until the January 1 which falls on or after the first anniversary of his or her initial date of eligibility for Plan coverage. Employees who return to eligibility for Plan coverage within 24 months of loss of eligibility for Plan coverage and whose employment relationship has not terminated at any time prior to such return will be enrolled in the program of Plan benefits in which they were enrolled when their eligibility for Plan coverage was lost, and shall thereafter have the same rights of election as other employees whose eligibility for Plan coverage was not lost.

Covered individuals enrolled in a managed care network will have a point of service option allowing them to choose an out-of-network provider to perform any covered health care service that they need. The benefits provided by the

Plan when a service is performed by an in-network provider and the benefits provided by the Plan when the service is performed by an out-of-network provider will be as described in the table below:

PLAN FEATURE	IN-NETWORK	OUT-OF-NETWORK†
Primary Care Physician Required	Yes	No
Annual Deductible		
Individual	None	$100
Family	None	$300
		Deductible applies to all covered expenses
Plan/Employee Coinsurance	100%/0%	75%/25%
Annual Out-of-Pocket Maximum (exclusive of deductible)		
Individual	None	$1,500
Family	None	$3,000
Maximum Lifetime Benefit	None	$1,000,000 ($5,000 annual restoration)
Special Maximum Lifetime Benefit for Mental Health	None	$100,000 lifetime ($500 annual restoration)
Hospital Charges (inpatient and outpatient)	100%	75%*
Ambulatory Surgery	100%	75%*
Emergency Room	100% after $15 employee copayment	75%

Inpatient Mental Health & Substance Abuse		
Benefit		
Hospital	100%	75%◆
Alternative Care — Residential Treatment Center Inpatient or Partial Hospitalization/ Day Treatment	100%	75%◆
Outpatient Mental Health & Substance Abuse	100% after $15 employee copayment per visit	75%◆
Physician Services		
Surgery/Anesthesia	100%	75%*
Hospital Visits	100%	75%*
Office Visits	100% after $15 employee copayment	75%**
Diagnostic Tests	100%	75%*
Routine Physical	100% after $15 employee copayment	Not Covered
Well Baby Care	100% after $15 employee copayment	Not Covered
Skilled Nursing Facility Care	100%	75%*
Hospice Care	100%	75%*
Home Health Care	100%	75%*
Temporomandibular Joint Syndrome	100%	75%*
Birth Center	100%	75%*
Prescription Drugs (other than by mail order)	100% after $5 employee copayment for brand name ($3 for generic)	75%**

Mail Order Prescription Drugs (60-90 day supply of maintenance drugs only)	100% after $5 employee copayment	100% (not subject to regular deductible) after $5 employee co-payment (not counted toward regular deductible)**
Claim System	Paperless	Forms Required
Approval by Utilization Review/Large Case Management	Physician-initiated; included in network management	Required. If approval not given, benefits reduced by 20% (except for mental health and substance abuse care where benefits reduced by 50%) both before and after annual out-of-pocket maximum is reached, and amount of reduction is not counted toward that maximum.

† The medically necessary health care services for which out-of-network benefits will be paid are those listed in subparagraphs 1 through 7 of Part A, Section 5, of this Imposed Agreement.

* Benefits reduced by 20% if care is not approved by utilization review program.

♦ Benefits reduced by 50% if care is not approved by utilization review program.

** Benefits not generally subject to utilization review program but may be reviewable in specific circumstances with advance notice to the employee; in such cases, benefits reduced by 20% if care not approved by utilization review program.

At any time after the expiration of two years from the effective date of implementation of the first managed care network, either the carriers or the organizations may bring before the Joint Plan Committee for consideration a proposal to change the Plan's in-network or out-of-network benefits for the purpose of promoting an increase in the use of in-network providers by Plan participants.

Section 5 - Comprehensive Health Care Benefits

The comprehensive health care benefits provided under the Plan in geographical areas where managed care networks are not available to Plan participants and their dependents, and in cases where a Plan participant has elected to be covered, along with his or her dependents, by such comprehensive benefits rather than to be enrolled in a managed care network, shall be as

described below. Terms used in such description shall have the same meaning as they have in the Plan.

After satisfaction of an annual deductible of $100 per covered individual or $300 per family unit of three or more, the Plan will pay 85%, and the covered individual 15%, of certain health care expenses, up to an annual out-of-pocket maximum (which shall not include the deductible) of $1,500 per covered individual or $3,000 per family. The expenses counted toward the $3,000 annual family out-of-pocket maximum will include those, which are otherwise eligible, incurred on behalf of a covered employee and each of his or her covered dependents regardless of whether the employee or dependent has reached the $1,500 individual annual out-of-pocket maximum. Once the applicable annual out-of-pocket maximum has been reached, the Plan will pay 100% of such reasonable charges up to an overall lifetime maximum of $1 million per covered individual, restorable at a rate of $5,000 per year; provided, however, that there shall be a separate lifetime maximum of $100,000 per covered individual, restorable at a rate of $500 per year, for Plan benefits for the treatment of mental and/or nervous conditions and substance abuse. (Benefits counted for purposes of determining whether or not a lifetime maximum has been reached are all benefits paid under the Plan as amended by this Imposed Agreement and all Major Medical Expense Benefits paid under the Plan prior to such amendments.) The Plan will pay 85% of the reasonable charges for medically necessary health care services as follows:

1. All expenses that are "Covered Expenses" (as defined in the Plan) at any time under the current major medical expense benefits provisions of the Plan, and not within any exclusion from or limitation upon them, except that the exclusion for treatment of polio will be removed.

2. Expenses for mammograms described in American Cancer Society guidelines, childhood disease immunization, pap smears and colorectal cancer screening.

3. Donor expense benefits as now defined.

4. Jaw joint disorder benefits as now defined, and subject to the current exclusions from and limitation on them, except that the $50 separate lifetime cash deductible will be removed.

5. Home health care expense benefits as now defined, subject to the current exclusions from and limitation on them, except that the exclusion that governs if polio benefits are payable will be removed.

6. Treatment center expense benefits, subject to the current exclusions from and limitation on them, except that

   a. the separate $100 cash deductible per confinement will be removed in connection with benefits for transportation to a treatment center, and

   b. the separate $100 cash deductible per benefit period and the $40 maximum limitation on benefits per episode of treatment — all with regard to outpatient benefits -- will be removed.

7. Expenses for the services of psychologists if benefits would be paid for such services had they been rendered by a physician.

The Plan will provide the same benefits to all employees eligible for Plan coverage, including those in their first year of such eligibility and those eligible for extended Plan coverage because of disability.

The Plan's comprehensive health care benefits will include, where permissible under applicable law, a mail order prescription drug benefit that will reimburse a covered individual, after he or she pays $5.00 per prescription, 100% of the cost of prescriptions covering a 60-to-90 day supply of maintenance drugs for such individual. This benefit will not be subject to, and the covered individual's $5.00 co-payment will not be counted against, the Plan's regular $100/$300 deductible and will be included only upon execution of appropriate contracts with vendors.

Section 6 - Strengthened Utilization Review and Case Management

The Plan's current utilization review/case management contractor, and any successor, shall henceforth require that its prior approval be secured for the following services to the extent that benefits with respect to them are payable under the Plan: (a) all non-emergency confinements, and all lengths of stay, in any facility, (b) all home health care, and (c) all in-patient and out-patient procedures and treatment, except for any care where, pursuant to standards developed by the Joint Plan Committee, prior approval is not feasible or would not be cost-efficient. Approval may be withheld if the utilization review/case management contractor determines that a less intensive or more appropriate diagnostic or treatment alternative could be used.

If an individual covered by the Plan incurs expenses without the requisite approval of the Plan's utilization review/case management contractor, such benefits as the Plan would otherwise pay will be reduced by one-fifth; provided, however, that if such unapproved expenses are incurred for the treatment of mental or nervous conditions or substance abuse, such benefits as the Plan would otherwise pay will be reduced by one-half. These reductions will continue to apply after the out-of-pocket maximum is reached, i.e., the 100% benefit will become 80% (or 50%, as the case may be) if approval by the utilization review/case management contractor is not obtained.

When there is disagreement between an attending physician and the utilization review/case management contractor, the patient and/or attending physician, after all opportunities for appeal have been exhausted within the utilization review/case management contractor's organization, shall be afforded an opportunity to obtain a review (including if necessary, an examination) by an independent specialist physician. This independent physician, who shall be conveniently located and board certified in the appropriate specialty, shall be designated by a physician appointed for this purpose by the Joint Plan Committee. Neither physician may be an employee of or under contract to the utilization review/case management contractor. In the event of an appeal to a specialist described above, the utilization review/case management contractor shall bear the burden of convincing the specialist that the utilization review/case management contractor's determination was correct.

Section 7 - Coordination of Benefits

The Plan's coordination of benefit rules shall be changed so that the Plan will pay no benefit to any covered individual that would cause the sum of the benefits paid by the Plan and by any other plan with which the Plan coordinates benefits to exceed (a) the maximum benefit available under the more generous of the Plan and such other plan, or (b) with respect only to spouses who are both covered as employees under the Plan (and the Dependents of such spouses), and to spouses one of whom is covered as an employee under the Plan and the other as a retired railroad employee under the Railroad Employees National Early Retirement Major Medical Benefit Plan (and the Dependents of such spouses), 100% of the reasonable charges for services the expense of which is covered by the Plan.

Section 8 - Medicare Part B Premiums

Active employees currently covered by Medicare Part B and those who elect to enroll in Medicare Part B when they become eligible shall not be reimbursed for premiums they pay for such Part B Medicare participation unless Medicare is their primary payor of medical benefits.

Section 9 - Solicitation of Bids

As promptly as practicable, the Joint Plan Committee will solicit bids from qualified entities for the performance of (a) all managed care functions under the Plan, including without limitation the establishing and/or arranging for the use by individuals covered by the Plan of managed networks of health care providers in those geographical areas where it is feasible to do so, and (b) all utilization review/case management functions under the Plan, including specialized utilization review/case management functions for mental health and substance abuse to assure expert determination of medical necessity and appropriateness of treatment and provider. The Committee will select one or more contractors, from among those that the Committee determines are likely to provide high-quality, cost-effective services, to perform such functions on behalf of the Plan. In the meantime, the Plan's current utilization review/case management contractor will continue to perform those functions. Hospital associations shall be incorporated into the managed care networks wherever appropriate.

Upon the expiration of three years from the effective date of this Imposed Agreement, the Joint Plan Committee will solicit bids for all of the services involved in the administration of the Plan, including the utilization review/case management and/or managed care functions, unless the Committee unanimously determines not to seek bids for any one or more of the services involved in the administration of the Plan.

Part B - Early Retirement Major Medical Benefit Plan

Section 1 - Continuation of Plan

The Railroad Employees Early Retirement Major Medical Benefit Plan ("ERMA"), modified as provided in this Part, will be continued subject to the provisions of the Railway Labor Act, as amended. Contributions to ERMA will be

offset by the expeditious use of such amounts as may at any time be in one or more special accounts or funds maintained by any insurer, third party administrator or other entity in connection with ERMA and by the use of funds held in trust that are not otherwise needed to pay claims, premiums, or administrative expenses that are payable from funds held in trust; provided, however, that such amounts as may at any time be in the special account maintained at The Travelers Insurance Company in connection with the obligations of ERMA to pay benefits incurred but not paid at the time of termination of ERMA, in the event such termination should occur, shall be used to pay or provide for Plan benefits as follows: one-third of the balance in such special account as of January 1, 1992, shall be used to pay or provide for benefits that become due and payable during 1992. One-half of the balance in such special account as of January 1, 1993, shall be used to pay or provide for benefits that become due and payable during 1993. All of the balance in such special account in excess of $1 million as of January 1, 1994, shall be used to pay or provide for benefits that become due and payable during 1994. The $1 million referred to in the preceding sentence shall be maintained by the Plan as a cash reserve to protect against adverse claims experience from year to year.

Section 2 - Change to Self-Insurance

ERMA will be wholly self-insured. It will be administered, under an administrative services only arrangement, by an insurance company or third party administrator.

Section 3 - Coordination of Benefits

ERMA's coordination of benefit rules shall be changed so that ERMA will pay no benefit to any covered individual that would cause the sum of the benefits paid by ERMA and by any other plan with which ERMA coordinates benefits to exceed (a) the maximum benefit available under the more generous of ERMA and such other plan, or (b) with respect only to spouses who are both covered as retired railroad employees under ERMA (and the Dependents of such spouses), and to spouses one of whom is covered as a retired railroad employee under ERMA and the other as an employee under the Railroad Employees National Health and Welfare Plan (and the Dependents of such spouses), 100% of the reasonable charges for services the expense of which is covered by ERMA.

Section 4 - Strengthened Utilization Review and Case Management

ERMA's current utilization review/case management contractor, and any successor, shall henceforth require that its prior approval be secured for the following services to the extent that benefits with respect to them are payable under ERMA: (a) all non-emergency confinements, and all lengths of stay, in any facility, (b) all home health care, and (c) all in-patient and out-patient procedures and treatment, except for any care where prior approval is not feasible or would not be cost-efficient. Approval may be withheld if the utilization review/case management contractor determines that a less intensive or more appropriate diagnostic or treatment alternative could be used.

If an individual covered by ERMA incurs expenses without the requisite approval of ERMA's utilization review/case management contractor, such benefits

as ERMA would otherwise pay will be reduced by one-fifth; provided, however, that if such unapproved expenses are incurred for the treatment of mental or nervous conditions or substance abuse, such benefits as ERMA would otherwise pay will be reduced by one-half.

When there is disagreement between an attending physician and the utilization review/case management contractor, the patient and/or attending physician, after all opportunities for appeal have been exhausted within the utilization review/case management contractor's organization, shall be afforded an opportunity to obtain a review (including if necessary, an examination) by an independent specialist physician. This independent physician, who shall be conveniently located and board certified in the appropriate specialty, shall be designated by a physician appointed for this purpose by mutual agreement between the Chairman of the Health and Welfare Committee, Cooperating Railway Labor Organization and of the National Carriers' Conference Committee. Neither physician may be an employee of or under contract to the utilization review/case management contractor. In the event of an appeal to a specialist described above, the utilization review/case management contractor shall bear the burden of convincing the specialist that the utilization review/case management contractor's determination was correct.

The standards developed by the Joint Plan Committee for determining whether or not prior approval is feasible and cost-efficient under the Health and Welfare Plan shall be applied by the National Carriers' Conference Committee under ERMA, and the utilization review/case management contractor(s) selected by the Joint Plan Committee under the Health and Welfare Plan shall be selected by the National Carriers' Conference Committee under ERMA.

Section 5 - Mail Order Prescription Drug Benefit

The Plan's benefits will include, where permissible under applicable law, a mail order prescription drug benefit that will reimburse a covered individual, after he or she pays $5 per prescription, 100% of the cost of each prescription covering a 60-90 day supply of maintenance drugs for such individual. This benefit will not be subject to, and the covered individual's $5.00 co-payment will not be counted against, the Plan's regular $100 deductible, and will be included only upon execution of appropriate contracts with vendors.

Section 6 - Solicitation of Bids

As promptly as practicable, the National Carriers' Conference Committee will solicit bids from qualified entities for the performance of all utilization review/case management functions under the Plan, including specialized utilization review/case management functions for mental health and substance abuse to assure expert determination of medical necessity and appropriateness of treatment and provider. The Committee will select one or more contractors, from among those that the Committee determines are likely to provide high-quality, cost-effective services, to perform such functions on behalf of the Plan. In the meantime, the Plan's current utilization review/case management contractor will continue to perform those functions.

Upon the expiration of three years from the date of this Imposed Agreement, the National Carriers' Conference Committee will solicit bids for all of the services involved in the administration of the Plan, including the utilization review/case management function, unless the Committee determines not to seek bids for any one or more of the services involved in the administration of the Plan.

ARTICLE IV - SUPPLEMENTAL SICKNESS

The March 29, 1979 Supplemental Sickness Benefit Agreement, as amended effective January 1, 1982 (Sickness Agreement), shall be further amended as provided in this Article for periods of disability commencing on or after July 1, 1991.

Section 1 - Adjustment of Plan Benefits

(a) The benefits provided under the Plan established pursuant to the Sickness Agreement shall be adjusted as provided in paragraph (b) so as to restore the same ratio of benefits to rates of pay as existed on January 1, 1982 under the terms of that Agreement.

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

	Per Hour	Per Month
Class I Employees Earning	$13.95 or more	$2,427 or more
Class II Employees Earning	$11.40 or more but less than $13.95	$1,984 or more but less than $2,427
Class III Employees Earning	Less than $11.40	Less than $1,984

Basic and Maximum Amount Per Month

Classification	Basic	RUIA	Maximum
Class I	$926	$674	$1,600
Class II	$749	$674	$1,423
Class III	$595	$674	$1,269

Combined Benefit Limit

Classification	Maximum Monthly Amount
Class I	$1,716
Class II	$1,525
Class III	$1,361

Section 2 - Plan Benefits During Initial Registration Period

An employee who is eligible to receive Plan benefits during his initial RUIA registration period shall receive from the Plan, for the fifth through the fourteenth days of disability in that period, the Basic Benefit specified in the Plan plus an amount equal to the total RUIA benefit that would have been payable to him for days of sickness in that period but for application of the initial waiting period mandated by existing law.

Section 3 - Adjustment of Plan Benefits During Imposed Agreement Term

Effective December 31, 1994, the benefits provided under the Plan shall be adjusted so as to restore the same ratio of benefits to rates of pay as existed on the effective date of this Article.

Section 4 - Administrative and Procedural Improvements

The parties have selected and established a subcommittee for the purpose of reviewing and making recommendations with respect to administrative and procedural improvements that would expedite the handling and disposition of Plan claims without affecting the integrity of the Plan. The parties shall consider the subcommittee's recommendations at the earliest opportunity, but no later than sixty (60) days after the effective date of this Article, and shall use their best efforts to reach agreement on implementing such recommendations.

ARTICLE V - INCIDENTAL WORK RULE

Section 1

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

> Where a shopcraft employee or employees are performing a work assignment, the completion of which calls for the performance of "incidental work" (as hereinafter defined) covered by the classification of work or scope rules of another craft or crafts, such shopcraft employee or employees may be required, so far as they are capable, to perform such incidental work provided it does not comprise a preponderant part of the total amount of work involved in the assignment. Work shall be regarded as "incidental" when it

involves the removal and replacing or the disconnecting and connecting of parts and appliances such as wires, piping, covers, shielding and other appurtenances from or near the main work assignment in order to accomplish that assignment, and shall include simple tasks that require neither special training nor special tools. Incidental work shall be considered to comprise a preponderant part of the assignment when the time normally required to accomplish it exceeds the time normally required to accomplish the main work assignment.

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

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

Section 2

Nothing in this Article is intended to restrict any of the existing rights of a carrier.

Section 3

This Article shall become effective ten (10) days after the date of this Imposed Agreement except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representative on or before such effective date.

ARTICLE VI - SUBCONTRACTING

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

Article II - Subcontracting

The work set forth in the classification of work rules of the crafts parties to the Imposed Agreement or, in the scope rule if there is no

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

Section 1 - Applicable Criteria

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

Section 2 - Advance Notice - Submission of Data - Conference

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

Advance notice shall not be required concerning minor transactions. A minor transaction is defined for purposes of notice as an item of repair requiring eight man-hours or less to perform (unless the parties agree on a different definition) and which occurs at a location where mechanics of

the affected craft, specialized equipment, spare units or parts are not available or cannot be made available within a reasonable time.

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

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

Section 3 - Request for Information When No Advance Notice Given

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

Disputes concerning a carrier's alleged failure to provide notice of intent or to provide sufficient supporting data in a timely manner in order that the general chairman may reasonably determine whether the criteria for subcontracting have been met, also may be submitted to a member of the arbitration panel, but not necessarily on an expedited basis. In the event the parties are unable to agree on a schedule for resolving such a dispute, the arbitrator shall establish the schedule.

Section 4 - Establishment of Subcontracting Expedited Arbitration Panels

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

arbitrators shall be compensated for their services directly by the parties.

Section 5 - Consist

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

Section 6 - Location

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

Section 7 - Referees

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

Section 8 - Filling Vacancies

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

Section 9 - Content of Presentations

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

Section 10 - Procedure at Board Meetings

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

Section 11 - Remedy

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

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

Section 12 - Final and Binding Character

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

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

Section 13 - Disputes Referred to Other Boards

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

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

through the expedited arbitration panels are not subject to the provisions of the standard Time Limit Rule.

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

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

* * * *

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

ARTICLE VII - JOINT SKILL ADJUSTMENT STUDY COMMITTEE

Section 1 - Upon notification by the organization of its intention to proceed, a Joint Skill Adjustment Study Committee shall be established within thirty (30) days, consisting of four partisan members--two representing the carriers and two representing the organization--and one neutral, who shall be Chairman. The parties shall jointly share the compensation and expenses of the neutral. The neutral shall be selected by the partisan members jointly or from a list supplied by the National Mediation Board within 30 days from this date.

Section 2 - The Committee will engage in a joint study and reach a determination of the need to adjust wages based upon skill and pay for similar work in other occupations. The Committee will be charged with the responsibility of determining if skill adjustments are appropriate for the following positions and/or functions: all journeymen electricians and above (mechanical, engineering and communications). If the determination is in the affirmative the Committee will render findings in accordance with its determinations that will be binding upon the parties and implemented.

Section 3 - The Committee shall promptly establish its operating procedures, which will include the formulation of a schedule designed to expedite and enhance the opportunity to reach a final conclusion, at the earliest possible date, but not exceeding six (6) months, unless otherwise determined by the Committee. The Committee shall determine the procedures under which it will operate, schedule meetings and resolve any other questions that may arise. The Chairman shall have discretion to act as mediator at any time during these proceedings prior to the issuance of his findings. In the event the neutral is unable to continue or the

partisan members unanimously concur that a successor should be appointed, the procedures set forth above shall be followed in selecting a replacement.

Section 4 - In the event the Chairman determines that the parties are unable to reach final conclusion the Chairman in consultation with the members shall promptly convene formal hearings on the matter. Thereafter, the neutral shall make final and binding findings for disposition of the issue.

Section 5 - The Committee shall terminate unless otherwise agreed to by the parties thirty (30) days from the date the findings have been made.

Section 6 - The parties recognize and agree that the information developed by the Committee will only be used for the purpose for which it was developed (i.e. The joint study) and that it will not be used by either party in handling claims or grievances.

ARTICLE VIII - GENERAL PROVISIONS

Section 1 - Court Approval

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

Section 2 - Effect of this Imposed Agreement

(a) The purpose of this Imposed Agreement is to fix the general level of compensation during the period of the Imposed Agreement, and to settle the disputes growing out of the notices served upon the carriers listed in Exhibit A by the organization signatory hereto dated on or about January 20, 1988 and April 18, 1988, and proposals served on or about April 9, 1984 and March 10, 1989 by the carriers for concurrent handling therewith. This Imposed Agreement shall be construed as a separate agreement by and on behalf of each of said carriers and their employees represented by the organization signatory hereto, and shall remain in effect through December 31, 1994 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(b) No party to this Imposed Agreement shall serve, prior to November 1, 1994 (not to become effective before January 1, 1995), any notice or proposal for the purpose of changing the subject matter of the provisions of this Imposed Agreement or which proposes matters covered by the proposals of the parties cited in paragraph (a) of this Article, and any proposals in pending notices relating to such subject matters are hereby withdrawn.

(c) No party to this Imposed Agreement shall serve or progress, prior to November 1, 1994 (not to become effective before January 1, 1995), any notice or proposal which might properly have been served when the last moratorium ended on July 1, 1988.

(d) This Article will not bar management and Committees on individual railroads from agreeing upon any subject of mutual interest.

SIGNED AT WASHINGTON, D.C., NOVEMBER 27, 1991.

FOR THE PARTICIPATING CARRIERS LISTED IN EXHIBIT A:

Chairman

FOR THE EMPLOYEES REPRESENTED BY THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS:

International Vice President

November 27, 1991

#1

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to the $2,000 lump sum payment provided for in Article I, Section 1 of this Imposed Agreement. In the case of an employee who was recalled from reserve status and performed active military service during 1990 as a result of the Persian Gulf crisis, such employee will be credited with 40 hours of compensated service (48 hours in the case of a monthly rated employee whose rate is predicated on an all-service performed basis) for each week of such military service for purposes of calculating eligibility for the lump sum amount provided he would otherwise have been in active service for the carrier.

Very truly yours,

C. I. Hopkins, Jr.

November 27, 1991

#2

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to the Lump Sum Payment provided in Article I, Section 1 of the Imposed Agreement of this date.

This confirms our understanding that days during the year 1990 for which employees in a furloughed status received compensation pursuant to guarantees in protective agreements or arrangements shall be included in determining qualifications for the Lump Sum Payment.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

November 27, 1991

#3

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to the increase in wages provided for in Section 2 of Article I of the Imposed Agreement of this date.

It is understood that the retroactive portion of that wage increase will be paid within 60 days from the date of this Imposed Agreement. It is further understood that it shall be applied only to employees who continued their employment relationship under an agreement with the International Brotherhood of Electrical Workers up to July 29, 1991 or who retired or died subsequent to July 1, 1991.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

November 27, 1991

#4

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to the Lump Sum Payments provided in Articles I and II of the Imposed Agreement of this date.

All of the lump sum payments provided for in Article II are based in part on the number of straight time hours paid for that are credited to an employee for a particular period. However, the number of straight time hours so credited does not include any such hours reported to the ICC as constructive allowances except vacations, holidays, paid sick leave and guarantees in protective agreements or arrangements.

The inclusion of the term "guarantees in protective agreements or arrangements" in Article II means that an employee receiving such a guarantee will have included in the straight time hours used in calculating his lump sum payments under this Article all such hours paid for under any protective agreement or allowance provided, however, that in order to receive credit for such hours an employee must not be voluntarily absent from work, meaning that hours are not counted if an employee does not accept calls to report for work.

It is understood that any lump sum payment provided in Articles I and II of the Imposed Agreement of this date will not be used to offset, construct or increase guarantees in protective agreements or arrangements.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

November 27, 1991

#4A

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to the lump sum payments provided for in Article II of this Imposed Agreement.

Sections 1 to 4, inclusive, of Part A of Article II - Cost-of-Living Payments are structured so as to provide lump sum payments that are essentially based on the number of straight time hours credited to an employee during a specified 12-month base period. Section 8 provides that all of these lump sum payments are payable to an employee who has an employment relationship as of the dates such payments are made or has retired or died subsequent to the beginning of the applicable base period used to determine the amount of such payment. Thus, for example, under Section 1 of Part A of Article II, except for an employee who has retired or died, the agreement requires that an employee have an employment relationship as of July 1, 1992 in order to receive a lump sum payment which will be based essentially on the number of straight time hours credited to such employee during a period running from April 1, 1991 through March 31, 1992.

The intervals between the close of the measurement periods and the actual payments established in the 1985-86 National Agreements were in large part a convenience to the carriers in order that there be adequate time to make the necessary calculations.

In recognition of this, we again confirm the understanding that an individual having an employment relationship with a carrier on the last day of a particular measurement period will not be disqualified from receiving the lump sum (or portion thereof) provided for in the event his employment relationship is terminated following the last day of the measurement period but prior to the payment due date.

Very truly yours,

C.I. Hopkins, Jr.

November 27, 1991

#5

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to Article III Part A of this Imposed Agreement dealing with the Railroad Employees National Health and Welfare Plan (the "Plan"), and in particular to one facet of the arrangements for funding the benefits provided for under the Plan.

It is understood that, insofar as carriers represented by the National Carriers' Conference Committee in connection with health and welfare matters but not in connection with wages and cost-of-living adjustments are concerned, the cost-of-living adjustments for 1993 and thereafter that may have already been agreed to by such carriers, or that may be agreed to in the future, shall be adjusted—unless the agreement involved, reached on an individual property basis, provides as a part of the wage settlement that the employees covered by it shall not share in any year-to-year increases in Plan costs—so that the employees covered by such agreements shall receive cost-of-living adjustments that are less (than they would otherwise receive) by an amount equal to the lesser of (i) one-quarter of the year-to-year increases in the carriers' payment rate for the foreign-to-occupation portion of health benefits under the Plan as defined in the Imposed Agreement referred to in the first paragraph of this letter and (ii) one-half of the amount, pro-rated where appropriate, they would otherwise receive.

If the parties involved are unable to reach agreement on the specific manner of making the adjustments, or on any other terms and conditions regarding the adjustments, it is understood that such dispute shall be submitted, upon the written notice by either party, to arbitration by a neutral arbitrator within thirty (30) days after such notice is transmitted by one party to the other. Should the parties involved fail to agree on selection of a neutral arbitrator within five (5) calendar days from the date the dispute is submitted to arbitration, either party may request the National Mediation Board to supply a list of at least five (5) potential arbitrators, from which the parties shall choose the arbitrator by alternatively striking names from the list. Neither party shall oppose or make any objection to the NMB concerning a request for such a panel. The fees and expenses of the neutral arbitrator should be borne equally by the parties, and all other expenses should be paid for by the party incurring them. The arbitrator shall conduct a hearing within thirty (30) calendar days from the date on which the dispute is assigned to him or her. Each party shall deliver all statements of fact, supporting evidence and other relevant information in writing to the arbitrator and to the other party, no later than

five (5) working days prior to the date of the hearing. The arbitrator shall not accept oral testimony at the hearing, and no transcript of the hearing shall be made.

Each party, however, may present oral arguments at the hearing through its counsel or other designated representative. The arbitrator must render a written decision, which shall be final and binding, within thirty (30) calendar days from the date of the hearing.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

Edward T. McEntee

November 27, 1991

#6

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to Section 4 of Article IV - Supplemental Sickness of the Imposed Agreement of this date. The parties agree to accept the recommendations of the subcommittee referred to in that Section and intend to modify existing administrative procedures of the Supplemental Sickness Benefit Plan (Plan) within 60 days from the effective date of such Imposed Agreement, unless otherwise indicated, to provide as follows:

1. Plan benefits will commence for qualified employees after all certification requirements (i.e., claim application, employer certification, physician certification, and Railroad Unemployment Insurance eligibility) have been met and before the Railroad Retirement Board pays RUIA sickness benefits, providing the insurance company administering the Plan continues to have access to the Board's eligibility data base.

2. During the first thirty (30) days of a qualified disability, assuming all certification requirements have been met timely, Plan benefits will be paid covering the first fourteen (14) days of disability so that qualified disabled employees receive their first benefit checks on or about the thirtieth (30th) day of disability following their application for benefits. Benefit payments thereafter would follow the established thirty (30) day payment cycle.

3. Participating railroads, particularly those that have 500 or more employees enrolled in a Plan, will be urged to provide employee certification information through an established electronic certification process as promptly as possible.

Participating railroads that have had continuing difficulty in providing employee certification information on a timely basis will be urged to adopt procedures permitting employees to receive on-site employer certification of their eligibility. On-site employer certification procedures will be developed as reasonably promptly as possible, but not later than by May 1, 1992.

4. The hourly rates of pay used to define various Plan benefit amount classification will be automatically adjusted, during the moratorium periods of applicable national agreements, when rates of pay are adjusted for railroad employees covered by the Plan pursuant to such agreements. This modification will not change the benefits provided, but it will permit employer certification information to be provided more quickly.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

November 27, 1991

#7

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding regarding the resolution of disputes under Article II of the September 25, 1964 Agreement, as amended by Article VI of this Imposed Agreement.

If the parties have not established a forum or forums for before-the-fact arbitration of contracting out disputes by July 29, 1991, any such dispute will proceed on an after-the-fact basis, i.e., the carrier will be free to proceed forthwith with the contracting-out and any dispute may be progressed to a Public Law Board on an expedited basis, or any other forum on which the parties may mutually agree.

The parties shall meet promptly to reach agreement on language to implement the recommendations of Presidential Emergency Board 219, as interpreted and clarified by Special Board 102-29, on the procedures for arbitrating contracting-out disputes. If complete agreement on language is not reached by the parties by December 15, 1991, the parties shall refer any areas of disagreement to Special Board 102-29 for resolution.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

Edward P. McEntee

November 27, 1991

#8

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This refers to Article VI, Subcontracting, of the Imposed Agreement of this date and our understanding with respect to disputes arising on the former Southern Railway Company under the provisions of Articles I and II of the January 27, 1965 Agreement.

This will confirm our understanding that Article II of the January 27, 1965 Agreement is amended to read identical to Article VI of the Imposed Agreement of this date and that Special Board of Adjustment No. 570 shall have exclusive authority to resolve all disputes arising under the terms of Article I of the January 27, 1965 Agreement.

It is further agreed that a single system subcontracting expedited arbitration panel shall be established in accordance with Article VI of the Imposed Agreement of this date, and such panel shall have exclusive jurisdiction of disputes arising on the former Southern Railway Company under the provisions of Article II of the January 27, 1965 Agreement, as amended by the Imposed Agreement of this date, and on Norfolk and Western Railway Company under the provisions of Article II of the September 25, 1964 Agreement, as amended by the Imposed Agreement of this date.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

Edward P. McEntee

November 27, 1991

#9

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding that a synthesis of the September 25, 1964 Agreement, as amended, showing all changes made during this round of bargaining and all changes made in the past which remain in effect after this bargaining round shall be prepared by the parties as soon as possible.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

November 27, 1991

#10

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding that the changes to Article VI of the September 25, 1964 Agreement, as amended, which result from the Imposed Agreement effective this date are accurately reflected in Exhibit A to this side letter.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

EXHIBIT A

ARTICLE VI - RESOLUTION OF DISPUTES

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, of this agreement. The parties agree that such Board shall have exclusive authority to resolve all disputes arising under the terms of Article I of this Agreement. 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.

(ARTICLE VI - RESOLUTION OF DISPUTES - Section 1 as amended by ARTICLE VIII - Part B. of December 4, 1975 Agreement)

Section 2 - Consist of Board

Whereas, Article VI of the September 25, 1964 Agreement provides for the resolution of disputes arising under Article I of said Agreement and Section 2 of Article VI sets forth the procedure for the composition of the Board established for the purpose of resolving such disputes; and under the terms of said section the Board is to consist of two members appointed by the organizations party to the Agreement, two members appointed by the carriers party to the Agreement and a fifth member, a referee, appointed from a panel of referees; and

Whereas, in November of 1964 following an exchange of letters it was further agreed by the parties to the Agreement to modify the terms of Section 2 of Article VI by providing that instead of two members each party would appoint three members with the understanding that in any function, two of three members thus appointed would serve; and

Whereas, in the Memorandum of Agreement dated May 31, 1974 and Mediation Agreement dated December 4, 1978, it was agreed by the parties to the agreement to further modify the appointment and functioning of partisan members by providing that instead of three members each party would appoint six members; two of the six persons designated to represent the organizations party to the Agreement would be appointed by International Association of Machinists and Aerospace Workers and Sheet Metal Workers' International Association respectively and the remaining four members would be appointed on behalf of the other four organizations party to the Agreement by the Railway Employes' Department, AFL-CIO; and whereas, on October 1, 1980, the Railway Employe's Department, AFL-CIO, was dissolved by appropriate action and ceased to have any status as an affiliation of Shop Craft Organizations or to have any authority to speak for or represent any organization or brotherhood; and

Whereas, the parties understand the importance of maintaining grievance machinery for the handling of disputes arising under the September 25, 1964 National Agreement in order to provide a means for the peaceful resolution of minor grievances under the Railway Labor Act; and

Whereas, in view of these considerations the organizations party to the Agreement have agreed upon a temporary procedure which is acceptable to the carriers party to the Agreement, for the appointment and functioning of partisan members of the Board under Section 2 of VI.

NOW, THEREFORE, it is agreed that effective October 1, 1980, partisan members of the Board under Section 2 of Article VI shall be appointed and function as follows:

1. Six members shall be appointed by the organizations party to the Agreement and six members shall be appointed by the carriers party to the Agreement. Of the six persons designated to represent the organizations party to the Agreement one shall be appointed by each of the following signatories: International Association of Machinists and Aerospace Workers; Sheet Metal Workers International Association; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; Brotherhood Railway Carmen of the United States and Canada; International Brotherhood of Electrical Workers, and International Brotherhood of Firemen and Oilers.

2. Each of the twelve partisan members of the Board so appointed shall have the right to sit in all proceedings of the Board. The organizations and the carriers party to the Agreement further agree, however, that in the handling of dispute cases before the Board a smaller panel of the twelve members may function and constitute a quorum for the resolution of such disputes, provided first, that at least one organization and one carrier member shall sit and function in all dispute cases before the Board; second, that regardless of the number of members sitting and functioning in dispute cases, the unit method of voting shall prevail and six votes shall be cast on behalf of the carrier and organization members respectively; third, that in any dispute involving employees represented by one of the signatory organizations, the appointee of that organization shall sit and function as a member of the Board.

It is agreed further that all disputes and grievances arising under Article I of the September 25, 1964 Agreement shall be handled on appeal from the property in accordance with the terms of this Agreement while it is in effect including those presently pending before Special Board of Adjustment 570, as well as any subsequently appealed to the Board.

This Memorandum of Agreement is a temporary measure intended to provide the parties with a continuing means for the peaceful resolution of such minor grievances under the Railway Labor Act pending further consideration of matters arising from the dissolution of Railway Employes Department.

(Section 2 of ARTICLE VI - RESOLUTION OF DISPUTES -
from MEMORANDUM OF AGREEMENT dated November 17, 1980)

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

The parties agree to select a panel of six potential referees for the purpose of disposing of disputes before the Board arising under Article I 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 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 thereafter unless written notice is served by the organizations or the carriers parties to the agreement, at least 60 days prior to 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.

Section 9 - Submission of Dispute

Any dispute arising under Article I, Employee Protection, 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.

(Sections 3, 4, 5, 6, 7, 8, and 9 of ARTICLE VI - RESOLUTION OF DISPUTES - from September 25, 1964 Agreement)

Section 10 - Time Limits for Submission

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 10 of ARTICLE VI - RESOLUTION OF DISPUTES - from ARTICLE VIII - Part B. of December 4, 1975 Agreement)

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 Referees

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 designated 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 shall be required for a decision of the Board. A partisan member 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.

(Sections 11, 12, and 13 of ARTICLE VI - RESOLUTION OF DISPUTES - from September 25, 1964 Agreement)

Section 14 - Final and Binding Character

Decisions of the Board shall be final and binding upon the parties to the dispute. In the event an Award is in favor of an employee or employees, it shall specify a date on or before which there shall be compliance with the Award. In the event an Award is in favor of a carrier the Award shall include an order to the employee or employees stating such determination.

(Section 14 of ARTICLE VI - RESOLUTION OF DISPUTES from ARTICLE VIII - Part B. of December 4, 1975 Agreement)

Section 15 - Extension of Time Limits

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

Section 16 - 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 17 - 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 18 - 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.

(Sections 15, 16, 17, and the first paragraph of Section 18
of ARTICLE VI - RESOLUTION OF DISPUTES -
from September 25, 1964 Agreement)

Under the provisions of Article VI, Section 18, 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. Article VI provides a "Shopcraft Special Board of Adjustment" for the purpose of adjusting and deciding disputes arising out of that Article (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 grievances concerning the interpretation or application of that Article.

During our negotiations, it was understood by both parties that disputes under Article I need not be progressed 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. Sections 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.

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

(ARTICLE VI - Section 18, 2nd through 5th paragraphs
from MEMORANDUM OF UNDERSTANDING dated January 7, 1965)

November 27, 1991

#11

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding that carriers not participating in national handling and therefore not subject to the revisions to the September 25, 1964 Agreement, as amended, shall continue to be bound by that Agreement as it existed prior to changes effectuated by the Imposed Agreement of this date.

Subcontracting disputes arising prior to the effective date of this Imposed Agreement shall continue to be handled in accordance with the dispute resolution procedures at the time the dispute arose.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

November 27, 1991

#12

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

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

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

November 27, 1991

#12A

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

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

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

Edward P. McEntee

November 27, 1991

#13

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This confirms our understanding with respect to the Imposed Agreement of this date.

The parties exchanged various proposals and drafts antecedent to adoption of the various Articles that appear in this Imposed Agreement. It is our mutual understanding that none of such antecedent proposals and drafts will be used by any party for any purpose and that the provisions of this Imposed Agreement will be interpreted and applied as though such proposals and drafts had not been used or exchanged in the negotiation. This shall not be construed to preclude any party from relying on the Proceedings and Report of Presidential Emergency Board 219 and/or the Proceedings and Reports of Special Board 102-29.

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

Very truly yours,

C.I. Hopkins, Jr.

I agree:

November 27, 1991

#14

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding that the changes to the incidental work rule resulting from the Imposed Agreement shall not be applied to assign work of employees represented by your organization to employees of any organization not a party to the same or substantially similar changes in the rule or rules governing assignment of mechanical and shop craft work, and vice-versa.

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

November 27, 1991

#15

Mr. E. P. McEntee, Int'l. Vice President
International Bro. of Electrical Workers
10400 W. Higgins Road, Suite 720
Rosemont, Illinois 60018

Dear Mr. McEntee:

This is to confirm our understanding that the amendments to the September 25, 1964 Agreement resulting from Article VI, Subcontracting of the Imposed Agreement of this date shall be applied only on those carriers party to the September 25, 1964 Agreement. Such amendments shall not be applied to affect subcontracting provisions in existing agreements on carriers not party to the September 25, 1964 Agreement, unless agreed otherwise between your organization and such non-party carrier(s).

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

Very truly yours,

C. I. Hopkins, Jr.

I agree:

Edward P. McEntee