

MEDIATION AGREEMENT

THIS AGREEMENT, made this 31st day of October, 1985 by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the United Transportation Union, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - GENERAL WAGE INCREASES

Section I - First General Wage Increase

(for other than Dining Car
Stewards and Yardmasters)

(a) Effective November 1, 1985, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on October 31, 1985 for employees represented by the United Transportation Union will be increased by one (1) percent.

(b) In computing the increase for enginemen under paragraph (a) above, one (1) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily rate of pay:

Passenger	- 600,000 and less than 650,000 pounds
Freight	- 950,000 and less than 1,000,000 pounds (through freight rates)
Yard Engineers	- Less than 500,000 pounds
Yard Firemen	- Less than 500,000 pounds (separate computation covering five-day rates and other than five-day rates)

Section 2 Second General Wage Increase

(for other than Dining Car
Stewards and Yardmasters)

Effective January 1, 1986, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1985 for employees represented by the United Transportation Union shall be increased by two (2) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

Section 3 - Third General Wage Increase

(for other than Dining Car
Stewards and Yardmasters)

Effective July 1, 1986, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on June 30, 1986 for

employees represented by the United Transportation Union shall be increased by one and one-half (1.5) percent, computed and applied for enginemen in the manner prescribed in Section I above.

Section 4 - Fourth General Wage Increase (for other than Dining Car Stewards and Yardmasters)

Effective January 1, 1987, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1986 for employees represented by the United Transportation Union shall be increased by two and one-quarter (2.25) percent, computed and applied for enginemen in the manner prescribed in Section I above.

Section 5 - Fifth General Wage Increase (for other than Dining Car Stewards and Yardmasters)

Effective July 1, 1987, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on June 30, 1987 for employees represented by the United Transportation Union shall be increased by one and one-half (1.5) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

Section 6 - Sixth General Wage Increase (for other than Dining Car Stewards and Yardmasters)

Effective January 1, 1988, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1987 for employees represented by the United Transportation Union shall be increased by two and one-quarter (2.25) percent, computed and applied for enginemen in the manner prescribed in Section I above.

Section 7 - Standard Rates

The standard basic daily rates of pay (excluding cost-of-living allowance) produced by application of the increases provided for in this Article are set forth in Appendix 1, which is a part of this Agreement.

Section 8 - Application of Wage Increases

(a) Duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, and mileage rates of pay for miles run in excess of the number of miles comprising a basic day, will not be subject to the adjustments provided for in this Article.

(b) In engine service and in train and yard ground service, miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be adjusted under this Agreement in the same manner as heretofore increased under previous wage agreements.

(c) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(d) Daily earnings minima shall be changed by the amount of the respective daily adjustments.

(e) Standard monthly rates and money monthly guarantees in passenger train service shall be thirty times the new standard daily rates. Other than standard monthly rates and money monthly guarantees shall be so adjusted that money differentials existing as of October 31, 1985 shall be preserved.

(f) Existing monthly rates and money monthly guarantees applicable in train service other than passenger will be changed in the same proportion as the daily rate for the class of service involved is adjusted.

(g) Existing money differentials above existing standard daily rates shall be maintained.

(h) In local freight service, the same differential in excess of through freight rates shall be maintained.

(i) The differential of \$4.00 per basic day in freight and yard service, and 4 cents per mile for miles in excess of the number of miles encompassed in the basic day in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.

(j) In computing the increases in rates of pay effective November 1, 1985 under Section 1 for firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number comprising a basic day, which are therefore paid on a daily basis without a mileage component, whose rates had been increased by "an additional \$.40" effective July 1, 1968, the one (1) percent increase shall be applied to daily rates then in effect, exclusive of car scale additives, local freight differentials, and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases effective January 1, 1986, July 1, 1986, January 1, 1987, July 1, 1987 and January 1, 1988. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendix 1 which is a part of this Agreement.

(k) Other than standard rates:

(i) Existing basic daily rates of pay other than standard shall be changed, effective as of the dates specified in Sections 1 through 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

(ii) The differential of \$4.00 per basic day in freight and yard service, and 4cents per mile for miles in excess of the number encompassed in the basic day in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.

(iii) Daily rates of pay, other than standard, of firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number encompassed in the basic day, which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections I through 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (k)(i) above.

(L) Wage rates resulting from the increases provided for in Sections I through 6 and 9 of this Article I, and in Section l(d) of Article II, will not be reduced under Article II.

Section 9 - General Wage Increases for Dining Car Stewards and Yardmasters

(a) Effective November 1, 1985, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on October 31, 1985, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one (1) percent.

(b) Effective January 1, 1986, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1985, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by two (2) percent.

(c) Effective July 1, 1986, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on June 30, 1986, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one and one-half (1.5) percent.

(d) Effective January 1, 1987, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1986, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by an amount equal to two and one-quarter (2.25) percent.

(e) Effective July 1, 1987, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on June 30, 1987, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one and one-half (1.5) percent.

(f) Effective January 1, 1988, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1987, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by an amount equal to two and one-quarter (2.25) percent.

ARTICLE II COST-OF-LIVING ADJUSTMENTS

Section I -Amount and Effective Dates of Cost-of-Living Adjustments

(a) The cost-of-living allowance which, on October 31, 1985 is 13 cents per hour, will subsequently be adjusted, in the manner set forth in and subject to all the provisions of paragraphs (e) and (g) below, 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 Consumer Price Index. The first such cost-of-living adjustment shall be made effective November 1, 1985, based (subject to paragraph (e)(i) below) on the BLS Consumer Price Index for March 1985 as compared with the index for September 1984. Such adjustment, and further cost-of-living adjustments which will be made effective as described below, will be based on the change in the BLS Consumer Price Index during the respective measurement periods shown in the following table subject to the exception in paragraph (e)(ii) below, according to the formula set forth in paragraph (f) below as limited by paragraph (g) below:

<u>Measurement Periods</u>		<u>Effective Date of Adjustment</u>
<u>Base Month</u>	<u>Measurement Month</u>	
(1)	(2)	(3)
September 1984	March 1985	November 1, 1985
March 1985	September 1985	January 1, 1986
September 1985	March 1986	July 1, 1986
March 1986	September 1986	January 1, 1987
September 1986	March 1987	July 1, 1987
March 1987	September 1987	January 1, 1988

(b) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight time, overtime, vacations, holidays and to special allowances in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money or to mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(c) The amount of the cost-of-living allowance, if any, which 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) On June 30, 1988 all of the cost-of-living allowance then in effect shall be rolled into basic rates of pay and the cost-of-living allowance in effect will be reduced to zero. Accordingly, the amount rolled in will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, and mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(e) **Cap.** (i) In calculations under paragraph (f) below, the maximum increase in the BLS Consumer Price Index (C.P.I.) which will be taken into account will be as follows:

<u>Effective Date of Adjustment</u> (1)	<u>Maximum C.P.I. Increase Which May Be Taken into Account</u> (2)
November 1, 1985	4% of September 1984 CPI
January 1, 1986	8% of September 1984 CPI, less the increase from
July 1, 1986	4% of September 1985 CPI
January 1, 1987	8% of September 1985 CPI, less the increase from September 1985 to March 1986
July 1, 1987	4% of September 1986 CPI
January 1, 1988	8% of September 1986 CPI, less the increase from September 1986 to March 1987

(ii) If the increase in the BLS Consumer Price Index from the base month of September 1984 to the measurement month of March 1985, exceeds 4% of the September base index, the measurement period which will be used for determining the cost-of-living adjustment to be effective the following January will be the twelve-month period from such base month of September; the increase in the index which will be taken into account will be limited to that portion of increase which is in excess of 4% of such September base index, and the maximum increase in that portion of the index which may be taken into account will be 8% of such September base index less the 4% mentioned in the preceding clause, to which will be added any residual tenths of points which had been dropped under paragraph (f) below in calculation of the cost-of-living adjustment which will have become effective July I during such measurement period.

(iii) Any increase in the BLS Consumer Price Index from the base month of September 1984 to the measurement month of September 1985 in excess of 8% of the September 1984 base index, will not be taken into account in the determination of subsequent cost-of-living adjustments.

(f) **Formula.** The number of points change in the BLS Consumer Price Index during a measurement period, as limited by paragraph (a) above, 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 October 31, 1985 will be adjusted (increased or decreased) effective November 1, 1985 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 (a) above, in the BLS Consumer Price Index during the measurement period from the base month of September 1984 to the measurement month of March 1985. 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 October 31, 1985 if the Consumer Price Index 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 at zero or above.

The same procedure will be followed in applying subsequent adjustments.

(g) **Offsets.** The amounts calculated in accordance with the formula set forth in paragraph (f) will be offset by the increases provided for in Article I of this Agreement as applied on an annual basis against a starting rate of \$12.54 per hour. This will result in the cost-of-living increases, if any, being subject to the limitations herein described:

(i) Any increase to be paid effective November 1, 1985 is limited to that in excess of 13 cents per hour. Since the formula produces 10 cents per hour for the November 1, 1985 adjustment, no change will be made on that date in the amount of the cost-of-living allowance.

(ii) The combined increases, if any, to be paid as a result of the adjustments effective November 1, 1985 and January 1, 1986 are limited to those in excess-of 38 cents per hour.

(iii) Any increase to be paid effective July 1, 1986 is limited to that in excess of 19 cents per hour.

(iv) The combined increases, if any, to be paid as a result of the adjustments effective July 1, 1986 and January 1, 1987 are limited to those in excess of 48 cents per hour.

(v) Any increase to be paid effective July 1, 1987 is limited to that in excess of 20 cents per hour.

(vi) The combined increases, if any, to be paid as a result of the adjustments effective July 1, 1987 and January 1, 1988 are limited to those in excess of 51 cents per hour.

(h) Continuance of the cost-of-living adjustments 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 Agreement revise or change the methods or basic data used in calculating the BLS Consumer Price 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 - Application of Cost-of-Living Adjustments

In application of the cost-of-living adjustments provided for by Section I of this Article II, the cost-of-living allowance will not become part of basic rates of pay except as provided in Section I(d). Such allowance will be applied as follows:

(a) For other than dining car stewards and yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Article I and by Section I(d) of this Article II. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Section 8 of Article 1.

(b) For dining car stewards, each one cent per hour of cost-of-living allowance will be treated as an increase of \$1.80 in the monthly rates of pay produced by application of Sections 8 and 9 of Article I and by Section I(d) of this Article II.

(c) For yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of \$2.00 in the monthly rates of pay produced by application of Sections 8 and 9 of Article I and by Section I(d) of this Article II.

ARTICLE III - LUMP SUM PAYMENT

A lump sum payment, calculated as described below, will be paid to each employee subject to this Agreement who established an employment relationship prior to the date of this Agreement and has retained that relationship or has retired or died.

Employees with 2,150 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations and holidays) during the period July 1, 1984 through July 31, 1985 will be paid \$565.00. Those employees with fewer straight time hours paid for will be paid an amount derived by multiplying \$565.00 by the number of straight time hours (including vacations and holidays, as described above) paid for during that period divided by 2,150.

ARTICLE IV - PAY RULES

Section 1 - Mileage Rates

(a) Mileage rates of pay for miles run in excess of the number of miles comprising a basic day (presently 100 miles in freight service and 100 miles for engine crews and 150 miles for train crews in through passenger service) will not be subject to general, cost-of-living, or other forms of wage increases.

(b) Mileage rates of pay, as defined above, applicable to interdivisional, interseniority district, intradivisional and/or intraseniority district service runs now existing or to be established in the future shall not exceed the applicable rates as of October 31, 1985. Such rates shall be exempted from wage increases as provided in Section I(a) of this Article. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.

Section 2 - Miles in Basic Day and Overtime Divisor

(a) The miles encompassed in the basic day in through freight and through passenger service and the divisor used to determine when overtime begins will be changed as provided below:

Effective Date of Change	Through Freight Service		Through Passenger Service	
	Miles in Basic Day	Overtime Divisor	Miles in Basic Day*	Overtime Divisor
November 1, 1985	102	12.75	153-102	20.4
July 1, 1986	104	13.0	156-104	20.8
July 1, 1987	106	13.25	159-106	21.2
June 30, 1988	108	13.5	162-108	21.6

*The higher mileage numbers apply to-conductors and brakemen and the lower mileage numbers apply to engineers and firemen.

(b) Mileage rates will be paid only for miles run in excess of the minimum number specified in (a) above.

(c) The number of hours that must lapse before overtime begins on a trip in through freight or through passenger service is calculated by dividing the miles of the trip or the number of miles encompassed in a basic day in that class of service, whichever is greater, by the appropriate overtime divisor. Thus after June 30, 1988, overtime will begin on a trip of 125 miles in through freight service after $125/13.5 = 9.26$ hours or 9 hours and 16 minutes. In through freight service, overtime will not be paid prior to the completion of 8 hours of service.

Section 3 - Conversion to Local Rate

When employees in through freight service become entitled to the local rate of pay under applicable conversion rules, the daily local freight differential (56¢ for conductors and engineers and 43¢ for brakemen and firemen under national agreements) will be added to their basic daily rate and the combined rate will be used as the basis for calculating hourly rates, including overtime. The local freight mileage differential (.56 cents per mile for conductors and engineers and .43 cents for brakemen and firemen under national agreements) will be added to the through freight mileage rates, and miles in excess of the number encompassed in the basic day in through freight service will be paid at the combined rate.

**Section 4 - Engine Exchange (Including Adding and Subtracting of Units)
And Other Related Arbitraries**

(a) Effective November 1, 1985, all arbitrary allowances provided to employees for exchanging engines, including adding and subtracting units, preparing one or more units for tow, handling locomotive units not connected in multiple, and coupling and/or uncoupling appurtenances such as signal hose and control cables are reduced by an amount equal to one-third of the allowance in effect as of October 31, 1985.

(b) Effective July 1, 1986, all arbitrary allowances provided to employees for performing work described-in paragraph (a) above are reduced by an amount equal to two-thirds of the allowance in effect as of October 31, 1985.

(c) Effective July 1, 1987, all arbitrary allowances provided to employees for performing work described in paragraph (a) above are eliminated.

Section 5 - Duplicate Time Payments

(a) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, shall not apply to employees whose seniority in train or engine service is established after the date of this Agreement.

(b) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, not eliminated by this Agreement shall not be subject to general, cost-of-living or other forms of wage increases.

Section 6 - Rate Progression - New Hires

In any class of service or job classification, rates of pay, additives, and other applicable elements of compensation for an employee whose seniority in train or engine service is established after the date of this Agreement will be 75% of the rate for present employees and will increase in increments of 5 percentage points for each year of active service until the new employee's rate is equal to that of present employees. A year of active service shall consist of a period of 365 calendar days in which the employee performs a total of 80 or more tours of duty.

ARTICLE V - FINAL TERMINAL DELAY, FREIGHT SERVICE

Section 1 - Computation of Time

In freight service all time, in excess of 60 minutes, computed from the time engine reaches switch, or signal governing same, used in entering final terminal yard track where train is to be left or yarded, until finally relieved from duty, shall be paid for as final terminal delay; provided, that if a train is deliberately delayed between the last siding or station and such switch or signal, the time held at such point will be added to any time calculated as final terminal delay.

Section 2 - Extension of Time

Where mileage is allowed between the point where final terminal delay time begins and the point where finally relieved, each mile so allowed will extend the 60 minute period-after which final terminal delay payment begins by the number of minutes equal to 60 divided by the applicable overtime divisor ($60/12.5 = 4.8$; $60/12.75 = 4.7$; $60/13 = 4.6$; $60/13.25 = 4.5$; $60/13.5 = 4.4$, etc.).

Section 3 - Payment Computation

All final terminal delay, computed as provided for in this Article, shall be paid for, on the minute basis, at one-eighth (1/8th) of the basic daily rate in effect as of October 31, 1985, according to class of service and engine used, in addition to full mileage of the trip, with the understanding that the actual time consumed in the performance of service in the final terminal for which an arbitrary allowance of any kind is paid shall be deducted from the final terminal time under this Article. The rate of pay for final terminal delay allowance shall not be subject to increases of any kind.

After road overtime commences, final terminal delay shall not apply and road overtime shall be paid until finally relieved from duty.

NOTE: The phrase "relieved from duty" as used in this Article includes time required to make inspection, complete all necessary reports and/or register off duty.

Section 4 - Multiple Trips

When a tour of duty is composed of a series of trips, final terminal delay will be computed on only the last trip of the tour of duty.

Section 5 - Exceptions

This Article shall not apply to pusher, helper, mine run, shifter, roustabout, transfer, belt line, work, wreck, construction, road switcher or district run service. This Article shall not apply to circus train service where special rates or allowances are paid for such service.

NOTE: The question as to what particular service is covered by the designations used in Section 5 shall be determined on each individual railroad in accordance with the rules and practices in effect thereon.

Section 6 - Local Freight Service

In local freight service, time consumed in switching at final terminal shall not be included in the computation of final terminal delay time.

This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

ARTICLE VI - DEADHEADING

Existing rules covering deadheading are revised as follows:

Section 1 - Payment When Deadheading and Service Are Combined

(a) Deadheading and service may be combined in any manner that traffic conditions require, and when so combined employees shall be paid actual miles or hours on a continuous time basis, with not less than a minimum day, for the combined service and deadheading. However, when deadheading from the away-from-home terminal to the home terminal **is** combined with a service trip from such home terminal to such away-from-home terminal and the distance between the two terminals exceeds the applicable mileage for a basic day, the rate paid for the basic day mileage portions of the service trip and deadhead shall be at the full basic daily rate.

(b) Employees deadheading into their home terminal can have their deadhead combined with service out of that terminal only when the deadhead and service comes within the provisions of short turnaround service rules.

Section 2 - Payment For Deadheading Separate From Service

When deadheading is paid for separate and apart from service:

(a) For Present Employees*

A minimum day, at the basic rate applicable to the class of service in connection with which deadheading is performed, shall be allowed for the deadheading, unless actual time consumed is greater, in which event the latter amount shall be allowed.

(b) For New Employees**

Compensation on a minute basis, at the basic rate applicable to the class of service in connection with which deadheading is performed, shall be allowed. However, if service after deadheading to other than the employee's home terminal does not begin within 16 hours after completion of deadhead, a minimum of a basic day at such rate will be paid. If deadheading from service at other than the employee's home terminal does not commence within 16 hours of completion of service, a minimum of a basic day at such rate will be paid.

A minimum of a basic day also will be allowed where two separate deadhead trips, the second of which is out of other than the home terminal, are made with no intervening service performed. Non-service payments such as held-away-from-home terminal allowance will count toward the minimum of a basic day provided in this Section 2(b).

* Employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement.

** Employees whose earliest seniority date in a craft covered by this Agreement is established after the date of this Agreement.

Section 3 - Application

Deadheading will not be paid where not paid under existing rules.

This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

ARTICLE VII - ROAD SWITCHERS, ETC.

Section I - Reduction in Work Week

(a) Carriers with road switcher (or similar operations), mine run or roustabout agreements in effect prior to the date of this Agreement that do not have the right to reduce six or seven-day assignments to not less than five, or to establish new assignments to work five days per week, shall have that right.

(b) The work days of five-day assignments reduced or established pursuant to Section I(a) of this Article shall be consecutive. The five-day yard rate shall apply to new assignments established pursuant to Section I(a) of this Article. Assignments reduced pursuant to Section I(a) shall be compensated in accordance with the provisions of Section I(c).

(c) If the working days of an existing assignment as described in Section I(a) are reduced under this Article, an allowance of 48 minutes at the existing straight time rate of that assignment in addition to the rate of pay for that assignment will be provided. Such allowance will continue for a period of three years from the date such assignment was first reduced. However, such allowance will not be made to employees who establish seniority in train or engine service after the date of this Agreement. Upon expiration of the three year period described above, the five day yard rate will apply to any assignment reduced to working less than six or seven days a week pursuant to this Article.

(d) The annulment or abolishment and subsequent reestablishment of an assignment to which the allowance provided for above applies shall not serve to make the allowance inapplicable to the assignment upon its restoration.

Section 2 - New Road Switcher Agreements

(a) Carriers that do not have rules or agreements that allow them to establish road switcher assignments throughout their system may serve a proposal for such a rule upon the interested general chairman or chairmen. If agreement is not reached on the proposal within 20 days, the question shall be submitted to arbitration.

(b) The arbitrator shall be selected by the parties or, if they fail to agree, the National Mediation Board will be requested to name an arbitrator.

(c) The arbitrator shall render a decision within 30 days from the date he accepts appointment. The decision shall not deal with the right of the carrier to establish road switcher assignments (such right is recognized), but shall be restricted to enumerating the terms and conditions under which such assignments shall be compensated and operated.

(d) In determining the terms and conditions under which road switcher assignments shall be compensated and operated, the arbitrator will be guided by and confined to what are the prevailing features of other road switcher agreements found on Class I railroads, except that the five day yard rate shall apply to any assignment established under this Section.

ARTICLE VIII - ROAD, YARD AND INCIDENTAL WORK

Section 1 - Road Crews

Road crews may perform the following work in connection with their own trains without additional compensation:

(a) Get or leave their train at any location within the initial and final terminals and handle their own switches. When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty point fixed for that assignment and such point is not within reasonable walking distance of the on and off duty point, transportation will be provided.

(b) Make up to two straight pick-ups at other locations in the initial terminal in addition to picking up the train and up to two straight set-outs at other locations in the final terminal in addition to yarding the train; and, in connection therewith, spot, pull, couple, or uncouple cars set out or picked up by them and reset any cars disturbed.

(c) In connection with straight pick-ups and/or set-outs within switching limits at intermediate points where yard crews are on duty, spot, pull, couple or uncouple cars set out or picked up by them and reset any cars disturbed in connection therewith.

(d) Perform switching within switching limits at times no yard crew is on duty. On carriers on which the provisions of Section 1 of Article V of the June 25, 1964 Agreement are applicable, time consumed in switching under this provision shall continue to be counted as switching time. Switching allowances, where applicable, under Article V, Section 7 of the June 25, 1964 Agreement or under individual railroad agreements, payable to road crews, shall continue with respect to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and such allowances are not subject to general or other wage increases.

(e) At locations outside of switching limits there shall be no restrictions on holding onto cars in making set-outs or pick-ups, including coupling or shoving cars disturbed in making set-outs or pick-ups.

Section 2- Yard Crews

Yard crews may perform the following work outside of switching limits without additional compensation except as provided below:

(a) Bring in disabled train or trains whose crews have tied up under the Hours of Service Law from locations up to 25 miles outside of switching limits.

(b) Complete the work that would normally be handled by the crews of trains that have been disabled or tied up under the Hours of Service Law and are being brought into the terminal by those yard crews. This paragraph does not apply to work train or wrecking service.

Note: For performing the service provided in (a) and (b) above, yard crews shall be paid miles or hours, whichever is the greater, with a minimum of one (1) hour for the class of service performed (except where existing agreements require payment at yard rates) for all time consumed outside of switching limits. This allowance shall be in addition to the regular yard pay and without any deduction therefrom for the time consumed outside of switching limits. Such payments are limited -D employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and is not subject to general or other wage increases.

(c) Perform service to customers up to 20 miles outside switching limits provided such service does not result in the elimination of a road crew or crews in the territory. The use of a yard crew in accordance with this paragraph will nor be construed as giving yard crews exclusive rights to such work. This paragraph does not contemplate the use of yard crews to perform work train or wrecking service outside switching limits.

(d) Nothing in this Article will serve to prevent or affect in any way a carrier's right to extend switching limits in accordance with applicable agreements. However, the distances prescribed in this Article shall continue to be measured from switching limits as they existed as of August 25, 1978, except by mutual agreement.

(e) Yard crews may perform hostling work without additional payment or penalty.

Section 3 - Incidental Work

(a) Road and yard employees in ground service and qualified engine service employees may perform the following items of work in connection with their own assignments without additional compensation:

- (1) Handle switches
- (2) Move, turn and spot locomotives and cabooses
- (3) Supply locomotives and cabooses except for heavy equipment and supplies generally placed on locomotives and cabooses by employees of other crafts
- (4) Inspect cars
- (5) Start or shutdown locomotives
- (6) Bleed cars to be handled
- (7) Make walking and rear-end air tests
- (8) Prepare reports while under pay
- (9) Use communication devices; copy and handle train orders, clearances and/or other messages.
- (10) Any duties formerly performed by firemen.

(b) Road and yard employees in engine service and qualified ground service employees may perform the following items of work in connection with their own assignments without additional compensation:

- (1) Handle switches
- (2) Move, turn, spot and fuel locomotives
- (3) Supply locomotives except for heavy equipment and supplies generally placed on locomotives by employees of other crafts
- (4) Inspect locomotives
- (5) Start or shutdown locomotives
- (6) Make head-end air tests
- (7) Prepare reports while under pay
- (8) Use communication devices; copy and handle train orders, clearances and/or other messages.
- (9) Any duties formerly performed by firemen.

Section 4 Construction of Article

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

This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

ARTICLE T.X - INTERDIVISIONAL SERVICE

NOTE: As used in this Agreement, the term interdivisional service includes interdivisional, interseniority district, intradivisional and/or intraseniority district service.

An individual carrier may establish interdivisional service, in freight or passenger service, subject to the following procedure.

Section 1 - Notice

An individual carrier seeking to establish interdivisional service shall give at least twenty days' written notice to the organization of its desire to establish service, specify the service it proposes to establish and the conditions, if any, which it proposes shall govern the establishment of such service.

Section 2 - Conditions

Reasonable and practical conditions shall govern the establishment of the runs described, including but not limited to the following:

(a) Runs shall be adequate for efficient operations and reasonable in regard to the miles run, hours on duty and in regard to other conditions of work.

(b) All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on October 31, 1985 by the number of miles encompassed in the basic day as of that date. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.

(c) When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty points fixed for the service established hereunder, the carrier shall authorize and provide suitable transportation for the crew.

Note: Suitable transportation includes carrier owned or provided passenger
or
transportation.

(d) On runs established hereunder crews will be allowed a \$4.15 meal allowance after 4 hours at the away-from-home terminal and another \$4.15 allowance after being held an additional 8 hours.

(e) In order to expedite the movement of interdivisional runs, crews on runs of miles equal to or less than the number encompassed in the basic day will not stop to eat except in cases of emergency or unusual delays. For crews on longer runs, the carrier shall determine the conditions under which such crews may stop to eat. When crews on such runs are not permitted to stop to eat, crew members shall be paid an allowance of \$1.50 for the trip.

(f) The foregoing provisions (a) through (e) do not preclude the parties from negotiating on other terms and conditions of work.

Section 3 - Procedure

Upon the serving of a notice under Section 1, the parties will discuss the details of operation and working conditions of the proposed runs during a period of 20 days following the date of the notice. If they are unable to agree, at the end of the 20-day period, with respect to runs which do not operate through a home terminal or home terminals of previously existing runs which are to be extended, such run or runs will be operated on a trial basis until completion of the procedures referred to in Section 4. This trial basis operation will not be applicable to runs which operate through home terminals.

Section 4 - Arbitration

(a) In the event the carrier and the organization cannot agree on the matters provided for in Section I and the other terms and conditions referred to in Section 2 above, the parties agree that such dispute shall be submitted to arbitration under the Railway Labor Act, as amended, within 30 days after arbitration is requested by the carrier. The arbitration board shall be governed by the general and specific guidelines set forth in Section 2 above.

(b) The decision of the arbitration board shall be final and binding upon both parties, except that the award shall not require the carrier to establish interdivisional service in the particular territory involved in each such dispute but shall be accepted by the parties as the conditions which shall be met by the carrier if and when such interdivisional service is established in that territory. Provided further, however, if carrier elects not to put the award into effect, carrier shall be deemed to have waived any right to renew the same request for a period of one year following the date of said award, except by consent of the organization party to said arbitration.

Section 5 - Existing Interdivisional Service

Interdivisional service in effect on the date of this Agreement is not affected by this Article.

Section 6 - Construction of Article

The foregoing provisions are not intended to impose restrictions with respect to establishing interdivisional service where restrictions did not exist prior to the date of this Agreement.

Section 7 - Protection

The provisions of Article XIII of the January 27, 1972 Agreement shall apply to employees adversely affected by the application of this Article.

This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date. Article XII of the January 27, 1972 Agreement shall not apply on any carrier on which this Article becomes effective.

ARTICLE X - CABOOSES

Section I - Unit And Intermodal Trains

(a) Article X, Section 4, of the October 15, 1982 National Agreement provides for the elimination of cabooses in through freight (including converted through freight) service up to 257 of the base established thereby. The parties agree that in addition to a carrier's rights under such provision and other provisions of said Article X, cabooses may be discontinued on unit-type trains (e.g., coal, grain, phosphate) and intermodal-type trains (e.g., piggyback, auto rack, double stack) operated in through freight (including converted through freight) service based on Guidelines and Conditions (Sections 2 and 3 of Article X of the October 15, 1982 National Agreement).

(b) Except as provided in paragraph (a) above, Article X of the October 15, 1982 Agreement remains in effect.

Section 2 - Run-Through Service

In run-through service, a caboose which meets the basic minimum standards of the railroad on which it originated will be considered as meeting the basic minimum standards of the other railroad or railroads on which it is operated.

ARTICLE XI - LOCOMOTIVE STANDARDS

In run-through service, a locomotive which meets the basic minimum standards of the home railroad or section of the home railroad may be operated on any part of the home railroad or any other railroad.

ARTICLE XII - TERMINATION OF SENIORITY

The seniority of any employee whose seniority in train or engine service is established after the date of this Agreement and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years of seniority.

ARTICLE XIII - FIREMEN

The craft or class of firemen (helpers) shall be eliminated through attrition except to the extent necessary to provide the source of supply for engineers and for designated passenger firemen, hostler and hostler helper positions. Trainmen shall become the source of supply for these positions as hereinafter provided.

Section 1 - Amendments to Fireman Manning Agreement of July 19, 1972

(1) Change Article I, Section 1(a) to read as follows:

"(a) For fulfilling needs arising as the result of assignments and vacancies, temporary or otherwise, in designated passenger service and in hostler, hostler-helper service, pursuant to mileage or other regulating factors on individual carriers and in accordance with Article IV of this Agreement."

(2) Change Article I, Section 3(a) to read as follows:

"(a) Determinations of the number of employees required on each seniority district will be based on the maximum applicable regulating factor for each class of service contained in the rules on each carrier relating to increasing or decreasing the force of locomotive engineers."

(3) Change Article I, Section 3(e) to read as follows:

"(e) The number of employees required as of each determination period will be based on engineer service during the twelve months' period as follows:

Passenger service

Total hours paid for multiplied by the number of miles encompassed in a minimum day divided by the number of hours encompassed in a minimum day.

Freight service

Total hours paid for plus one-half overtime hours, multiplied by the number of miles encompassed in a minimum day divided by the number of hours encompassed in a minimum day.

Yard service

Total hours paid for plus one-half overtime hours, divided by 8.

The results thus obtained shall be divided by the maximum applicable regulating factor as provided in paragraph (a) of this Section 3. The sum of employees thus determined will be increased by 10% to cover vacations and layoffs.

NOTE: As used in this paragraph, the term 'total hours paid for' includes all

such, all overtime hours paid for including overtime paid for working on holidays, and the hourly equivalent of arbitraries and special allowances provided for

(4) Change Article I, Section 3(f) by inserting "and on furlough" in the first and second sentences after "the number of firemen in active service" and by eliminating (1) to the NOTE and renumbering the remaining three enumerated items.

(5) Eliminate Section 3(h) of Article I and reletter the subsequent subsection.

(6) Change Article III, Section I to read as follows:

"Section I - Firemen (helpers) whose seniority as such was established prior to November 1, 1985 shall have the right to exercise their seniority on assignments on which, under the National Diesel Agreement of 1950 (as in effect on January 24, 1964), the use of firemen (helpers) would have been required, and on available hostler and hostler helper assignments subject to the following exceptions:

(a) When required to fulfill experience requirements for promotion, or engaged in a scheduled training program.

(b) When their services are required to qualify for or fill passenger or hostler or hostler helper vacancies in accordance with Article IV of this Agreement.

(c) When restricted to specific assignments as referred to in Article VI of this Agreement.

(d) When required to fill engineer vacancies or assignments.

The exercise of seniority under this Article will be subject to the advertisement, bidding, assignment, displacement and mileage rules on the individual carriers.

NOTE: As to any carrier not subject to the National Diesel Agreement of 1950 on January 24, 1964, the term 'the rules in effect on January 24, 1964 respecting assignments (other than hostling assignments) to be manned by firemen (helpers)' shall be substituted in this Article for the term 'the National Diesel Agreement of 1950.'"

"Section 1.5 Firemen (helpers) whose seniority as such is established on or after November 1, 1985 will have the right to exercise seniority limited to designated positions of passenger fireman, hostler or hostler helper. The seniority rights of such firemen are subject to the following exceptions:

(a) When required to fulfill experience requirements for promotion, or engaged in a scheduled training program.

(b) When required to fill engineer vacancies or assignments.

This will not preclude the carrier from requiring firemen to maintain proficiency as engineer and familiarity with operations and territories by working specified assignments."

(7) Change Article III, Section 4 to read as follows:

"Section 4(a) - All firemen (helpers) whose seniority as such was established prior to November 1, 1985 will be provided employment in accordance with the provisions of this Article until they retire, resign, are discharged for cause, or are otherwise severed by natural

attrition; provided, however, that such firemen (helpers) may be furloughed if no assignment working without a fireman (helper) exists on

their seniority district which would have been available to firemen (helpers) under the National Diesel Agreement of 1950 (as in effect on January 24, 1964), and if no position on an extra list as required in Section 3 above exists on their seniority district, subject to Section 5 of this Article."

"Section 4(b) - Firemen whose seniority as such is established on or after November 1, 1985 may be furloughed when not utilized pursuant to Section 1.5 of this Article."

- (8)** Change Article III, Section 5(a) to read as follows:

"Section 5(a) - With respect to firemen (helpers) employed after July 19, 1972 and prior to November 1, 1985, the provisions of Section 4(a) above will be temporarily suspended on any seniority district to the extent provided in this Section 5 if there is a decline in business within the meaning of this Section."

- (9)** Change Article IV, Section I to read as follows:

"Section 1 - Firemen (helpers) who established a seniority date as fireman prior to November 1, 1985 shall be used on assignments in passenger service on which under agreements in effect immediately prior to August 1, 1972, the use of firemen (helpers) would have been required. The use in passenger service of firemen (helpers) who establish seniority as firemen on or after November 1, 1985 will be confined to assignments designated by the carrier."

- (10)** Change Article IV, Section 2 to read as follows:

(a) Except as modified hereinafter, assignments in hostling service will continue to be filled when required by agreements in effect on individual carriers.

(b) The carriers may discontinue using employees represented by the United Transportation Union as hostlers or hostler helpers provided that it does not result in furlough of a fireman who established seniority prior to November 1, 1985 nor the establishment of a hostler position represented by another organization, and provided, further, that this provision will not act to displace any employee who established seniority prior to November 1, 1985 and who has no rights to service except as hostler or hostler helper.

(c) Employees in engine service who established seniority prior to November 1, 1985 will continue to fill hostler and hostler helper positions and vacancies thereon in accordance with agreements in effect as of that date. If such position cannot be filled by such employees, and it is not discontinued pursuant to Paragraph (b) above, qualified train service employees will be used. In that event, bulletined vacancies will be advertised to train service employees, and if no bids are received the junior qualified train service employee at the location will be assigned; temporary vacancies will be filled from the yard or combined road/yard extra board.

(d) Yard crews may perform hostling work without additional payment or penalty to the carrier."

(11) Change Article VIII to read as follows:

ARTICLE VIII - RESERVE FIREMEN

The carrier shall have the right to offer 'Reserve Fireman' status to any number of active firemen, working as such, with seniority as firemen prior to November 1, 1985 (who are subject to work as locomotive engineers). Where applied, Reserve Fireman status shall be granted in seniority order on a seniority district or home zone basis under the terms listed below:

- (1) An employee who chooses Reserve Fireman status must remain in that status until he either (i) is recalled and returns to hostler or engine service pursuant to Paragraph (2), (ii) is discharged from employment by the carrier pursuant to Paragraph (2) or for other good cause, (iii) resigns from employment by the carrier, (iv) retires on an annuity (including a disability annuity) under the Railroad Retirement Act, or (v) otherwise would not be entitled to free exercise of seniority under this Fireman Manning Agreement; whichever occurs first. If not sooner terminated, Reserve Fireman status and all other employment rights of a Reserve Fireman shall terminate when he attains age 70.
- (2) Reserve Firemen must maintain their engine service and hostler proficiencies while in such status, including successfully completing any retraining or refresher programs that the carrier may require and

passing any tests or examinations (including physical examinations) administered for purposes of determining whether such proficiencies and abilities have been maintained. Reserve Firemen also must hold themselves available for return to hostler and engine service upon seven days' notice, and must return to hostler or engine service in compliance with such notice. Reserve Firemen shall be recalled in reverse seniority order unless recalled for service as engineer. Failure to comply with any of these requirements will result in forfeiture of all seniority rights.

- (3) Reserve Firemen shall be paid at 70% of the basic yard fireman's rate for five days per week. No other payments shall be made to or on behalf of a Reserve Fireman except (i) payment of premiums under applicable health and welfare plans and, (ii) as may otherwise be provided for in this Article. No deductions from pay shall be made on behalf of a Reserve Fireman except (i) deductions of income, employment or payroll taxes (including railroad retirement taxes) pursuant to federal, state or local law; (ii) reductions of dues pursuant to an applicable union shop agreement and any other deductions authorized by agreement, (iii) as may otherwise be authorized by this Article and (iv) any other legally required deduction.
- (4) Reserve Firemen shall be considered in active service for the purpose of this Fireman Manning Agreement, including application of the decline in business formula.
- (5) Other non-railroad employment while in Reserve Fireman status is permissible so long as there is no conflict of interest. There shall be no offset for outside earnings.
- (6) Vacation pay received while in Reserve Fireman status will offset pay received under paragraph (3). Time spent in reserve status will not count toward determining whether the employee is eligible for vacation in succeeding years. It will count as time in determining the length of the vacation to which an employee, otherwise eligible, is entitled.

(7) Reserve Firemen are not eligible for:

Holiday Pay
Personal Leave
Bereavement Leave
Jury Pay
Other similar special allowances

(8) Reserve Firemen are covered by:

Health and Welfare Plans
Union Shop
Dues Check-off
Discipline Rule
Grievance Procedure

that are applicable to firemen (helpers) in active service.

(9) When junior employees are in 'Reserve Fireman' status, a senior active fireman .may request such status. The carrier shall grant such a request and, at its discretion, recall the junior 'Reserve Fireman.'"

Section 2 - Establishing Brakeman Seniority

(1) Engine service employees not possessing ground service seniority as of November 1, 1985 shall be placed on the bottom of the appropriate ground service roster upon implementation of this Section. Such employees will be allowed to relinquish their newly acquired seniority during a ninety day period following such implementation.

(2) On or after November 1, 1985, any person establishing seniority in engine service without first establishing seniority as trainman will establish a seniority date as trainman on the date he or she establishes seniority in engine service.

(3) An employee establishing seniority as trainman under this Section 2 shall be permitted to exercise such rights only in the event he or she is unable to hold any position or assignment in engine service as engineer, fireman on a designated position in passenger service, hostler or hostler helper, and such employee shall not, by such placement, be given any "present or protected employee" rights under present crew consist agreements or any negotiated in the future.

(4) Provisions for implementing this requirement shall be agreed upon with the appropriate trainmen's representative on each carrier party hereto within 90 days following the date of this

Agreement. If the parties are unable to agree, the matter shall be arbitrated at the request of either party under the following provisions:

- (a) The parties will endeavor to agree upon an arbitrator. If they fail to agree, either may request the National Mediation Board to name an arbitrator.
- (b) The authority of the arbitrator will be limited to deciding the procedures that will govern the placement of engine service employees on ground service seniority rosters including the determination of which rosters are ..appropriate."
- (c) An award will be rendered within 45 days of the date the arbitrator is named.

Section 3 - Retention of Seniority

(1) Subject to the carrier's legal obligations, when selecting new applicants for engine service, opportunity shall first be given to employees in train and yard service on the basis of their relative seniority standing, fitness and other qualifications being equal. Transfer of ' engineers from one seniority district to another on the same railroad system will not be violative of this provision.

(2) Any person who is selected for engine service and does not have seniority as trainman will acquire seniority as trainman upon entering engine service, subject to paragraph (3) hereof.

(3) An employee who has established seniority as conductor (foreman), trainman (brakeman-yardman), hostler or hostler helper (but without seniority as a locomotive fireman) who is selected for engine service shall retain his seniority standing and all other rights in train and/or yard or hostling service. However, such employee shall be permitted to exercise such rights only in the event he or she is unable to hold any position or assignment in engine service as engineer, fireman on a designated position in passenger service, hostler or hostler helper.

(4) This Section 3 replaces and supersedes Article VIII of the August 25, 1978 National Agreement.

Section 4 - Promotion

The following principles will govern in the selection and promotion to engine service and conductor/foreman:

(1) Trainmen who established seniority prior to November 1, 1985 will be governed by existing rules with respect to promotion to conductor/foreman and will not be required to accept promotion to engine service.

(2) Trainmen who establish seniority on or after November 1, 1985 must accept promotion to conductor/foreman in proper turn.

(3) Trainmen who establish seniority on or after November 1, 1985 will be selected for engine service in accordance with Section 3 of this Article XIII. However, if a sufficient number of trainmen (including those promoted to conductor) do not make application for engine service to meet the carrier's needs, such needs will be met by requiring trainmen (including promoted conductors) who establish seniority on or after November 1, 1985 to take engine service assignments or forfeit seniority in train service.

(4) If the carrier's needs for engine service employees are not met during a period when there are not sufficient trainmen (including promoted conductors) in service with a seniority date on or after November 1, 1985 who must accept promotion to engine service or forfeit seniority in train service, the carrier may hire qualified engineers or train others for engine service.

Provisions for implementing these principles shall be agreed upon on each carrier party hereto within 90 days following the date of this Agreement. If the parties are unable to agree, the matter shall be arbitrated at the request of either party under the following provisions:

(a) The parties will endeavor to agree upon an arbitrator. If they fail to agree, either may request the National Mediation Board to name an arbitrator.

(b) The authority of the arbitrator will be limited to deciding the procedures that will govern the promotion of trainmen and the forfeiture of seniority in the event of failure to qualify for promotion.

(c) An award will be rendered within 45 days of the date the arbitrator is named.

Section 5 - Application

Any conflict between the changes set forth herein and the provisions of the July 19, 1972 Manning Agreement, as revised, shall be resolved in accordance with the provisions of this Agreement.

ARTICLE XIV - EXPENSES AWAY FROM HOME

Effective November 1, 1985, the meal allowance provided for in Article II, Section 2 of the June 25, 1964 National Agreement, as amended, is increased from \$3.85 to \$4.15.

**ARTICLE XV - BENEFITS PROVIDED UNDER THE RAILROAD EMPLOYEES
NATIONAL HEALTH AND WELFARE PLAN**

Section I - Continuation of Plan

Except as provided in this Article, the benefits and other provisions under the Railroad Employees National Health and Welfare Plan will be continued. 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 the insurer in connection with Group Policy Contract GA-23000, and by the use of funds held in trust that are not otherwise needed to pay claims, premiums or administrative expenses which are payable from trust.

Section 2 - Benefit Changes

The following changes in benefits provided under the Plan and in matters related to such benefits will be made:

(a) Hospital Pre-Admission & Utilization Review Program - This program shall include a comprehensive guidance and support structure for employees and other beneficiaries covered by the Plan and their physicians beginning prior to planned hospitalization and continuing through recovery period. The program shall include, among other things, review of the propriety of hospital admission (including the feasibility of ambulatory center or outpatient treatment), the plan of treatment including the length of confinement, the appropriateness of a second surgical opinion, discharge planning and the use of effective alternative facilities during convalescence. Reduced benefits will be provided if the program is not fully complied with. This program shall become effective not earlier than January 1, 1986 in order to provide adequate time to set up and communicate the program.

(b) Extension of Benefits - Vacation pay received by a furloughed employee shall not qualify such employee for any benefits under the Plan and will not generate premium payments on his behalf. This change shall become effective January 1, 1988.

(c) Reinsurance - Reinsurance will be discontinued not later than December 31, 1985.

Section 3 - Special Committee

(a) A Special Committee selected by the parties will be established for the purpose of reviewing and making recommendations concerning ways to contain health care costs consistent with maintaining the quality of medical care; and reviewing the existing Plan structure and financing and making recommendations in connection therewith. In addition, the Committee may review and make recommendations with respect to any other matter included in the parties' notices with respect to the health care plan.

(b) The Committee shall retain the services of a recognized expert on health care systems to serve as a neutral chairman. The fees and expenses of the chairman shall be paid by the parties.

(c) The Committee shall be convened as promptly as possible and meet periodically until all of the matters that it considers are resolved. However, if the Committee has not resolved all issues by May 1, 1986, the neutral chairman will make recommendations on such unresolved issues no later than June 1, 1986. Upon voluntary resolution of all issues or upon issuance of recommendations by the neutral chairman, whichever is later, the Committee shall be dissolved.

(d) The proposals of the parties concerning health benefits (specifically, the organization's proposals dated January 23, 1984, entitled "Revise Contract Policy GA-23000" and the carriers' proposals dated on or about January 12, 1984, entitled "C. Insured Benefits") shall not be subject to the moratorium provisions of this Agreement, but, rather, shall be held in abeyance pending efforts to resolve these issues through the procedure established above. If, after 60 days from the date the neutral Chairman makes his recommendations, the parties have not reached agreement on all unresolved issues, the notices may be progressed under the procedures of the Railway Labor Act, as amended.

(e) Agreement reached by the parties on these issues will provide for a contract duration consistent with the provisions of Article XVII of the Agreement, regardless of whether such agreement occurs during the time that the proposals of the parties are held in abeyance or subsequent to the time that they may be progressed in accordance with the procedures of the Railway Labor Act as provided for above.

ARTICLE XVI - JOINT INTERPRETATION COMMITTEE

Disputes arising over the application or interpretation of this agreement will, in the absence of a contrary provision, be referred to a Joint Interpretation Committee consisting of an equal number of representatives of both parties.

If the Committee is unable to resolve a dispute, it may consider submitting the dispute to arbitration on a national basis for the purpose of ensuring a uniform application of the provisions of this Agreement.

ARTICLE XVII - GENERAL PROVISIONS

Section 1 - Court Approval

This 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 Agreement

(a) The purpose of this Agreement is to fix the general level of compensation during the period of the Agreement and is in settlement of the dispute growing out of the notices served upon the carriers listed in Exhibit A by the organization signatory hereto dated on or about January 3, 1984 and January 23, 1984, and the notices served on or about January 12, 1984 by the carriers for concurrent handling therewith.

(b) This 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 June 30, 1988 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) Except as provided in Sections 2(d) and (a) of this Article, the parties to this Agreement shall not serve nor progress prior to April 1, 1988 (not to become effective before July 1, 1988) any notice or proposal for changing any matter contained in:

- (1) this Agreement,
- (2) the proposals of the parties identified in Section 2(a)
- (3) Section 2(c) of Article XV of the Agreement of January 27, 1972,

and any pending notices which propose such matters are hereby withdrawn.

(d) The notices of the parties referred to in Article XV of this Agreement may be progressed in accordance with the provisions of Section 3(d) of that Article.

(e) New notices or pending notices that are permitted under the terms of the Letter Agreement of this date concerning intercraft pay relationships shall be governed by the terms of that Letter Agreement.

(f) Pending notices and new proposals properly served under the Railway Labor Act covering subject matters not specifically dealt with in Sections 2(c), 2(d) and 2(e) of this Article and which do not request compensation may be progressed under the provisions of the Railway Labor Act, as amended.

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

SIGNED AT WASHINGTON, D.C. THIS 31ST DAY OF OCTOBER, 1985.

FOR THE PARTICIPATING CARRIERS
LISTED IN EXHIBIT A:

FOR THE EMPLOYEES REPRESENTED
BY THE UNITED TRANSPORTATION UNION:

C. I. Hopkins Jr.
Chairman

Fred A. Hardin
President

Signatures not reproduced.

NATIONAL RAILWAY LABOR CONFERENCE

CHARLES I. HOPKINS, JR.
Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

1

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

In accordance with our understanding, this is to confirm that the carriers will make their best efforts to provide the lump sum payment provided for in Article III of this Agreement in a single, separate check no later than December 20, 1985.

If a carrier finds it impossible to make such payments by December 20, 1985, it is understood that such carrier will notify the General Chairmen, in writing, as to why such payments have not been made and indicate when it will be possible to make such payments.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE

CHARLES I. HOPKINS, JR.
Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

2

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

It is understood that the lump sum payment provided in Article III of the 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,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE

CHARLES I. HOPKINS, JR.
Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

3

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding that the provisions of Article IX - Entry Rates of the August 25, 1978 National Agreement shall no longer apply on railroads parties to this Agreement except, however, that such Article or local rules or practices pertaining to this subject shall continue to apply to employees previously covered by such rules.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE

CHARLES I. HOPKINS, JR.
Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

4

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding during the negotiations of the Agreement of this date that the provisions of Article I, Section 8(a), Article 11, Section 1(b) and (d), and Article IV, Section 5(a) and (b), relating to the payment of arbitraries and special allowances, shall not apply to special allowances contained in existing local crew consist agreements that contain moratorium provisions prohibiting changes in such payments.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE

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Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

5

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Article V of the Agreement of this date concerning the final terminal delay rule, particularly our understanding with respect to the use of the term "deliberately delayed" in Section I of that Article.

During the discussions that led to our Agreement, you expressed concern with situations where a crew was instructed to stop and was held outside the terminal between the last siding or station and the point where final terminal delay begins and there was no operational impediment to the crew bringing its train into the terminal; i.e., the train was deliberately delayed by yard supervision. Accordingly, we agreed that Section I would comprehend such situations.

On the other hand, the carriers were concerned that the term "deliberately delayed" not be construed in such a manner as to include time when crews were held between the last siding or station and the point where final terminal delay begins because of typical railroad operations, emergency conditions, or appropriate managerial decisions. A number of examples were cited including, among others, situations where a train is stopped: to allow another train to run around it; for a crew to check for hot boxes or defective equipment; for a crew to switch a plant; at a red signal (except if stopped because of a preceding train which has arrived at final terminal delay point and is on final terminal time, the time of such delay by the crew so stopped will be calculated as final terminal delay); because of track or signal maintenance or construction work; to allow an outbound train to come out of the yard; and because of a derailment inside the yard which prevents the train held from being yarded on the desired track, e.g., the receiving track. We agreed that Section I did not comprehend such conditions.

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

Very truly yours,

Charles I. Hopkins, Jr.

C. I. Hopkins, Jr.

I agree:

Fred A. Hardin

Fred A. Hardin

EXAMPLES OF APPLICATION OF DEADHEAD RULE, ARTICLE VI*

The following examples illustrate application of the rule to all employees regardless of when their seniority date in train or engine service was established, except where specifically stated otherwise

1. What payment would be due a trainman who performed road service on a train of 81 cars from A, the home terminal, to B, the away-from-home terminal, a distance of 170 miles, and deadheaded from B to A, with the service and deadhead combined between A-B-A?
 - A. A minimum day and 70 over-miles for the service and a minimum day and 70 over-miles for the deadhead, all at the 81-105 car rate, with service and deadhead combined.

2. What would be the payment under Question I if the distance between A and B were 75 miles?
 - A. A minimum day and 50 over-miles, all at the 81-105 car rate.

3. What payment would be due a trainman who performed road service on a train of 81 cars from A to B, a distance of 170 miles, taking rest at B, and then being deadheaded separate and apart from service from B to A, with the deadhead consuming 8 hours?
 - A. A minimum day and 70 over-miles, all at the 81-105 car rate for the service trip from A to B, and a minimum day at the basic rate (no car count) applicable to the class of service in connection with which the deadheading is performed.

4. What payment would be due a trainman who performed road service on a train of 81 cars from A to B, a distance of 170 miles, taking rest at B, and then deadheading separately from service B to A, with the deadhead being completed in 10 hours?
 - A. He would be paid a minimum day and 70 over-miles, all at the 81-105 car rate for the service trip from A to B, and 10 hours straight time rate of pay at the basic rate (no car count) applicable to the class of service in connection with which the deadheading is performed.

5. A trainman operates a train from his home terminal, point A, to the away-from-home terminal, point B, a distance of 170 miles. Upon arrival at the away-from-home terminal, he is ordered to deadhead, separate and apart from service, to the home terminal. The time deadheading is 5 hours. What payment is due?
 - A. A minimum day plus 70 over-miles for service. A minimum day for deadhead if employees' seniority antedates the date of this Agreement; otherwise, 5 hours.

6. Would at least a minimum day at the basic rate (no car count) applicable to the class of service in connection with which the deadheading is performed be paid when a deadhead is separate and apart from service and the actual time consumed is the equivalent of a minimum day or less?
 - A. Yes, for employees whose seniority antedates the date of the Agreement. Actual time

7. A trainman is called to deadhead from point A to point B, a distance of 50 miles, to operate a train back to point A. He is instructed to combine deadhead and service. Total elapsed time for the deadhead and service is 7 hours, 30 minutes. What payment is due?
 - A. A minimum day.

8. A trainman is called to deadhead from point A to point B, a distance of 50 miles, to operate a train from point B to point C, a distance of 75 miles. He is instructed to combine deadhead and service. Total elapsed time is 10 hours. What payment is due?
 - A. A minimum day plus 25 over-miles.

9. A trainman operates a train from point A to point B, a distance of 50 miles. He is ordered to deadhead back to Point A, service and deadhead combined. Total elapsed time, 8 hours, 30 minutes. What payment is due?
 - A. A minimum day plus 30 minutes overtime.

10. A trainman operates a train from his home terminal, point A, to the away-from-home terminal, point B, a distance of 275 miles. After rest, he is ordered to deadhead, separate and apart from service, to the home terminal. Time deadheading is 9 hours, 10 minutes. What payment is due?
 - A. A minimum day plus 175 over-miles for service, 9 hours, 10 minutes straight time for the deadhead.

The following examples illustrate the application of the rule to employees whose earliest seniority date in a craft covered by this Agreement is established after the date of this Agreement:

1. A trainman is called to deadhead from his home terminal to an away-from-home point. He last performed service 30 hours prior to commencing the deadhead trip. The deadhead trip consumed 5 hours and was not combined with the service trip. The service trip out of the away-from-home terminal began within 6 hours from the time the deadhead trip was completed. What payment is due?
 - A. 5 hours at the straight time rate.
2. What payment would have been made to the trainman in example 1 if the service trip out of the away-from-home terminal had begun 17 hours after the time the deadhead trip ended, and the held-away rule was not applicable?
 - A. A minimum day for the deadhead.
3. What payment would have been made to the trainman in example 1 if the service trip out of the away-from-home terminal had begun 18 hours after the time the deadhead trip ended, and the trainman received 2 hours pay under the held-away rule?
 - A. 6 hours at the straight time rate.
4. A trainman is deadheaded to the home terminal after having performed service into the away-from-home terminal. The deadhead trip, which consumed 5 hours and was not combined with the service trip, commenced 8 hours after the service trip ended. What payment is due?
 - A. 5 hours at the straight time rate.
5. What payment would have been made to the trainman in example 4 if the deadhead trip had begun 18 hours after the service trip ended and the held-away rule was not applicable?
 - A. A minimum day for the deadhead.
6. What payment would have been made to the trainman in example 4 if the deadhead trip had begun 18 hours after the time the service trip ended and the trainman received 2 hours pay under the held-away rule?
 - A. 6 hours at the straight time rate.

7. A trainman is deadheaded from the home terminal to an away-from-home location. Ten (10) hours after completion of the trip, he is deadheaded to the home terminal without having performed service. The deadhead trips each consumed two hours. What payment is due?

A. A minimum day for the combined deadhead trips.

* **NOTE:** The amount of over-miles shown in the examples are on the basis of a

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NATIONAL RAILWAY LABOR CONFERENCE

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Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

7

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Article VII, Road Switchers of the Agreement of this date.

In the Application of Section I(c) of the Article, it was understood that if a carrier without a pre-existing right to reduce a seven day assignment described in Section I(a) to a lesser number of days reduces such an assignment to six days per week, the 48-minute allowance will be payable to employees on the assignment whose seniority date in train or engine service precedes the date of the Agreement. If the carrier reduces the same assignment from seven days to five, an allowance of 96 minutes would be payable.

Conversely, if the carrier had the pre-existing right to reduce a seven day assignment described in Section I(a) to six days per week, but not to five days, and reduced the seven day assignment to six days per week, no allowance would be payable. If it reduced the assignment from seven days to five days, an allowance of 48 minutes would be payable.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman

Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

8

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Article VIII, Section 1(b), of the Agreement of this date which provides that only two straight pickups or setouts will be made. This does not allow cars to be cut in behind other cars already in the tracks or cars to be picked up from behind other cars already in the tracks. It does permit the cutting of crossings, cross-walks, etc., the spotting of cars set-out, and the re-spotting of cars that may be moved off spot in the making of the two straight setouts or pickups.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman

D. P. LEE
Vice Chairman and

R. T. Kelly
Director of Labor Relations

9

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Article VIII Road, Yard and Incidental Work - of the Agreement of this date. This confirms the understanding that the provisions in Section 3 thereof, concerning incidental work, are intended to remove any existing restrictions upon the use of employees represented by the UTU to perform the described categories of work and to remove any existing requirements that such employees, if used to perform the work, be paid an arbitrary or penalty amount over and above the normal compensation for their assignment. Such provisions are not intended to infringe on the work rights of another craft as established on any railroad.

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

10

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding with respect to Article IX, Interdivisional Service of the Agreement of this date.

On railroads that elect to preserve existing rules or practices with respect to interdivisional runs, the rates paid for miles in excess of the number encompassed in a basic day will not exceed those paid for under Article IX, Section 2(b) of the Agreement of this date.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman and
General Counsel

R. T. Kelly

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Article X, Caboose of the Agreement of this date.

This confirms our understanding that cabooses may be removed from unit and intermodal trains without further negotiations or arbitration, provided the guidelines and conditions set forth in Sections 2 and 3 of Article X of the October 15, 1982 Agreement, as amended, are complied with.

In application of the 50% limitation in Article X, Section 4, of the October 15, 1982 Agreement, with regard to the number of trains which can be submitted to arbitration, in view of the amendments to such Article made in the Agreement of this date, any unit and intermodal train already submitted to arbitration shall be excluded from such 50%.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms oral advice during our discussions with respect to the carriers' future plans for discontinuance of cabooses under Article X of the Agreement of this date.

The carriers signatory to this Agreement have no plans to, and hereafter will not, cover windows or permanently close doors of cabooses utilized by train service employees, unless otherwise agreed.

The carriers intend to and will comply with the implementation and other provisions of the caboose agreement.

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

October 31, 1985

JOINT STATEMENT COVERING ARTICLE X OF
THE AGREEMENT OF THIS DATE

This refers to that part of our Agreement of this date dealing with cabooses and the lengthy discussions that addressed our mutual concerns with respect to operations without cabooses.

Our respective concerns have been thoroughly discussed and understood and, therefore, we are mutually committed to the terms and intent of our Agreement.

We also recognize that should a question ' arise with respect to safety of operations, the Federal Railroad Administration is available to either or both parties for consideration of any such matter.

Fred A. Hardin

F. A. Hardin
President
United Transportation Union

Charles I. Hopkins, Jr.

C. I. Hopkins, Jr.,
Chairman
National Carriers' Conference
Committee

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Chairman

ROBERT BROWN
Vice Chairman

D. P. LEE
Vice Chairman and
General Counsel

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This refers to Articles X and XI of the National Agreement of this date permitting certain cabooses and locomotives which meet the basic minimum standards of the home railroad or section of the home railroad to operate on other railroads or sections of the home railroad.

In reviewing the current standards that exist on the major railroads with respect to such cabooses and locomotives, we recognized that while the standards varied from one property to another with respect to various details, the standards on all such railroads complied with the minimum essential requirements necessary to permit their use in the manner provided in Articles X and XI. For example, such minimum standards for locomotives would include a requirement that there are a sufficient number of seats for all crew members riding in the locomotive consist.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE

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Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

15

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding during the negotiations of the Agreement of this date that the term "active firemen, working as such", appearing in Section 1, Paragraph (11) of Article XIII, includes hostlers who have the right to work as locomotive engineers.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

16

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding during the negotiations of the Agreement of this date that where hostler positions are filled by employees not having firemen's seniority, that before a carrier discontinues a hostler or hostler helper position pursuant to Article XIII, Section 1(10) of this Agreement, it will be offered to furloughed hostlers with seniority prior to November 1, 1985 in the same seniority district. If such hostlers only have point seniority and there are no furloughed hostlers at such point, but there are such hostlers on furlough with seniority prior to November 1, 1985 at another point in the same geographical area, a vacancy will be offered to such hostlers before a carrier discontinues a hostler or hostler helper position pursuant to Article XIII, Section I(10) of this Agreement.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

17

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding during the negotiations of the Agreement of this date that before a carrier discontinues a hostler or hostler helper position pursuant to Article XIII, Section 1(10) of this Agreement, it will be offered to furloughed firemen with seniority in engine service prior to November 1, 1985 in the same seniority district. Such employees will retain recall rights to engine service in accordance with existing agreements.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman and
General Counsel

R. T. Kelly

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding with respect to incorporating a Hospital Pre-Admission and Utilization Review Program as part of the benefits provided under the Railroad Employees National Health and Welfare Plan in accordance with Article XV, Section 2(a) of the Agreement of this date.

By agreeing to this benefit program, our principal objectives are to reduce in-patient hospital utilization thereby minimizing exposure to risks of hospitalization or unduly prolonged hospitalization and the risks of unnecessary surgery by encouraging both employee and physician to make the most patient-sensitive and at the same time cost-effective decisions about treatment alternatives.

The program accomplishes these objectives by providing to employees and other beneficiaries ready access to knowledgeable professional personnel when making decisions about their health care. A number of patient-centered services are provided and designed in a manner so as not to impose significant added burdens on individual employees. The comprehensive guidance and support structure begins prior to planned hospitalization and continues through any recovery period.

Specifically, the program shall include review of the propriety of hospital admission (including consideration of health care alternatives such as the use of ambulatory centers or out-patient treatment) benefit counseling, the plan of treatment including the length of confinement, the appropriateness of a second surgical opinion, discharge planning and the use of effective alternative facilities during convalescence.

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-2-

We have attached to this letter descriptions of programs currently offered by three leaders in this field that describe in greater detail the operations of these programs and what specifically is involved. These attachments are intended as informational only, describing the kind of program we will establish, and do not suggest that the program we ultimately adopt is limited to what is described or is to be administered by these particular parties.

In order that the program achieves its intended objectives, we have agreed to institute appropriate incentives. For those employees who use the program, plan benefits will be paid as provided and the employee and family will receive the full protection and security of professionals managing their hospital confinement and recovery. For employees who do not use the program, plan benefits will be paid only under the Major Medical Expense Benefit portion of the Plan with the Plan-paying 65%. rather than 80%, of covered expenses. However, a maximum total employee expense limitation - "stop-loss" will be maintained.

We recognize that the program described cannot be implemented overnight but will require careful review and examination on the part of us all and will include, as well, time to inform the employees and other beneficiaries covered under the Plan. Furthermore, it is anticipated that the program will include use of alternative facilities, such as home health care options, hospices, office surgery, ambulatory surgi-centers and birthing centers, some of which are either not covered under the Plan now or are not available in the manner envisioned under this new program. Thus, for these reasons we have agreed that implementation of the program will not occur earlier than January 1, 1986 and that the intervening time will be used to assure that its adoption shall be a constructive and useful addition to the benefits currently provided under the Plan.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

Attachments (Descriptive material furnished UTU)

I agree:

Fred A. Hardin
Fred A. Hardin

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D. P. LEE
Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding with respect to the appointment of a neutral person to serve as chairman of the Special Committee established pursuant to Article XV, Section 3, of the Agreement of this date.

In the event we are unable to agree on such a person, the parties will seek the assistance of an appropriate third party for the purpose of providing assistance in identifying individuals qualified to serve in this capacity.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

united
transportation
union

FRED A. HARDIN
International President
44107

R. R. BRYANT
Assistant President

THOMAS J. McGUIRE
General Secretary and Treasurer

14600 DETROIT AVENUE
CLEVELAND, OHIO

PHONE: 216-228-9400

October 31, 1985

Mr. Charles I. Hopkins, Jr.
Chairman
National Railway Labor Conference
1901 L Street, N.W., Suite 500
Washington, DC 20036

Dear Mr. Hopkins:

This is to advise you that I am agreeable to the provisions of Article XV Health and Welfare Plan except that in Section 2 (a), "Hospital Pre-Admission and Utilization Review Program", I will agree to the concept of the "Pre-Admission and Utilization Review Program" and will agree to its implementation after the Policyholders have met jointly with representatives of Travelers and have agreed on the changes and understandings that will be necessary to implement the program. There must be ample lead time to insure that all covered employees can be notified of the implementation date and will have adequate information about the plan so that they can comply with their responsibilities in the event they qualify for benefits under the plan.

I take no exceptions to the use of surplus funds, the Reinsurance proposal, the Special Committee and/or the moratorium proposals.

Very truly yours,

Fred A. Hardin
Fred A. Hardin

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General Counsel

R. T. Kelly
Director of Labor Relations

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding with respect to incorporating a Hospital Pre-Admission and Utilization Review Program as part of the benefits provided under the Railroad Employees National Health and Welfare Plan in accordance with Article XV, Section 2(a) of the Agreement of this date.

We recognize that a similar program would be equally appropriate to include as part of the Early Retirement Major Medical Benefit Plan.

Therefore, this confirms our understanding that the program developed for the Health and Welfare Plan shall also be incorporated, with appropriate revisions, if necessary, as part of the Early Retirement Major Medical Benefit Plan as well.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

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Vice Chairman and
General Counsel

R. T. Kelly
Director of Labor Relations

22

October 31, 1985

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Dear Mr. Hardin:

In accordance with our understanding, this is to confirm that on a carrier where compensation relationships between the engineer and other members of-the crew have been changed because of a crew consist agreement, the organization may serve and pursue to a conclusion as hereafter provided proposals pursuant to the provisions of the Railway Labor Act seeking to adjust such compensation relationships for an engineer operating without a fireman. Pending proposals that meet these criteria may also be pursued in accordance with these provisions.

Any additional allowance shall be payable only where the engineer works with a reduced train crew and without a fireman and, where payable, shall be limited in amount so that when combined with the current differential payable to an engineer working without a fireman, the total amount for that trip or tour of duty shall be no greater than the allowance paid to members of that reduced crew unless the present engineer allowance for working without a fireman is greater.

Where the organization serves such a proposal or progresses a pending proposal as above provided, the carrier may serve proposals pursuant to the provisions of the Railway Labor Act for concurrent handling therewith that would achieve equivalent productivity improvements and/or cost savings.

In the event the parties on any carrier are unable to resolve the respective proposals by agreement, the entire dispute will be submitted to final and binding arbitration at the request of either party.

Article XVII, Section 2(c) of the Agreement of this date shall not apply to the proposals described above.

#22

-2-

Except as otherwise provided in this letter, proposals to change compensation are barred by Article XVII, Section 2(c) and any such pending proposals are withdrawn.

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

Very truly yours,

Charles I. Hopkins, Jr.
C. I. Hopkins, Jr.

I agree:

Fred A. Hardin
Fred A. Hardin

23

October 31, 1985

**APPLICATION OF LETTER AGREEMENT WITH
RESPECT TO INTERCRAFT PAY RELATIONSHIPS***

The following examples illustrate the maximum allowances that can be obtained under the letter agreement of this date with respect to intercraft pay relationships:

Example 1 - An engineer is on a reduced crew operating a distance of 127 miles in a class of service which has a basic day encompassing 102 miles. There is no fireman on the crew. The time consumed on the trip is 9 hours. No duplicate time payments expressed in hours or miles are paid. The conductor is receiving a reduced crew allowance of \$7.10. What would the engineer be paid.

- A. The standard rule for operating without a fireman would pay him \$5.00. Since this is less than the amount the conductor is receiving, the engineer would be paid an additional \$2.10.

Example 2 - What would the engineer in example I be paid if the allowance paid to the conductor was subsequently increased to \$8.00?

- A. The engineer would be paid an additional \$3.00.

Example 3 - What would the allowance be if the engineer in example I were on an assignment operating a distance of 202 miles?

- A. The standard rule for operating without a fireman would pay the engineer engineer would receive nothing additional.

Example 4 - What would the allowance be if the engineer in example I had earned two hours and forty minutes overtime on the trip?

- A. The standard rule for operating without a fireman would pay the engineer as follows:

Basic Day	\$4.00
Over-miles (25)	1.00
Overtime (2 hrs., 40 mins.)	<u>2.00</u>
TOTAL	\$7.00

This is \$.10 less than what the conductor received, so the engineer would be paid an a

***NOTE:** The amount o over-miles shown in the examples are on the basis of a 102 mile day. The number of over-miles will be further reduced in accordance with the

24

October 31, 1985

**JOINT STATEMENT CONCERNING EFFORTS TO IMPROVE THE
COMPETITIVE ABILITIES OF THE INDUSTRY**

This refers to our discussions during the recent negotiations with respect to improving our industry's ability to compete effectively with other modes of transportation and to attract new business to the railroads.

We recognize that opportunities will present themselves on railroads to promote new business and preserve existing business by providing more efficient and more expedient service. It is our mutual objective to provide this improved service by making changes, as may be necessary, in operations and with agreement rule exceptions and accommodations in specific situations and circumstances.

It is difficult to list specific rules or operations that might need modifications or exceptions in order to provide the services that may be necessary to obtain and operate new business that can be obtained from other modes of transportation. We are in agreement, however, that necessary operational changes and rules modifications or exceptions should be encouraged to obtain new business, preserve specifically endangered business currently being hauled, or to significantly improve the transit time of existing freight movements.

We recognize that attracting new business and retaining present business depends not only on reducing service costs, but also on improving service to Customers.

The Joint Interpretation Committee will encourage expedited resolutions on individual railroads consistent with these goals and will provide counsel, guidelines and other assistance in making necessary operational and or agreement rule changes to provide the type service necessary to meet these goals.

We sincerely believe that cooperation between the management and the employees will result in more business and job opportunities and better service which will insure our industry's future strength and growth.

Fred A. Hardin

F. A. Hardin
President
United Transportation Union

Charles I. Hopkins, Jr

C. I. Hopkins, Jr.
Chairman
National Carriers' Conference
Committee

EXHIBIT A
UTU

RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES, DATED ON OR ABOUT JANUARY 3, 1984, SERVED ON RAILROADS GENERALLY BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES OF THE UNITED TRANSPORTATION UNION, IDENTIFIED AS UTU-ATTACHMENT 1 (WAGES AND RULES), AND NOTICES, DATED ON OR ABOUT JANUARY 23, 1984 SERVED UPON THE RAILROADS BY THE UTU THROUGH THE NATIONAL RAILWAY LABOR CONFERENCE, IDENTIFIED AS UTU - ATTACHMENT 2 (HEALTH AND WELFARE), AND PROPOSALS SERVED BY THE CARRIERS FOR CONCURRENT HANDLING THEREWITH.

Subject to indicated footnotes, this authorization is co-extensive with notices filed and with provisions of current schedule agreements applicable to employees represented by the United Transportation Union (E), (C), (T) and/or (S), as indicated by an "x" in the appropriate column(s) below:

<u>RAILROADS</u>	UNITED TRANSPORTATION UNION			
	(E)	(C)	(T)	(S)
Alameda Belt Line Railway	x		x	
Alton & Southern Railway Company	x		x	
Atchison, Topeka and Santa Fe Railway Company	x	x	x	x
Atlanta & St. Andrews Bay Railway Company	#-x		#-x	
Bessemer and Lake Erie Railroad Company	@-x		@-x	
Burlington Northern Railroad Company	1-x	1-x	1-x	1-x
Canadian National Railways				
<u>St. Lawrence Region, Lines in the United States</u>				
Canadian Pacific Limited	#-x		#-x	
Central of Georgia Railroad Company	x	x	x	x
<u>CHESSIE SYSTEM:</u>				
Baltimore and Ohio Railroad Company		2-x	3-x	4-x
Baltimore and Ohio Chicago Terminal Railroad Company		x		x
Chesapeake and Ohio Railway Company	x	x	x	x
<u>Toledo Terminal Railroad Company</u>				x
Chicago & Illinois Midland Railway Company		x		x
Chicago and North Western Transportation Company	x	x	x	
Chicago and Western Indiana Railroad Company		x		x
Chicago South Shore and South Bend Railroad		x	x	x
Chicago Union Station Company				x
<u>Columbia & Cowlitz Railway Company</u>		x		x
Davenport, Rock Island and North Western Railway Company	x			x
Denver and Rio Grande Western Railroad Company		x	x	x
Des Moines Union Railway Company		x		x
Duluth, Missabe and Iron Range Railway Company			@-x	@-x
Duluth, Winnipeg & Pacific Railway Company		x		x
Elgin, Joliet and Eastern Railway Company		@-x	@-x	@-x
Galveston, Houston and Henderson Railroad Company		x		x
Grand Trunk Western Railroad		x	x	x
Houston Belt and Terminal Railway Company				x
Illinois Central Gulf Railroad		x	x	x
Kansas City Southern Railway Company			x	x
<u>Louisiana & Arkansas Railway Company</u>			x	x

EXHIBIT A
Page 2

<u>RAILROADS</u>	UNITED TRANSPORTATION UNION			
	(E)	(C)	(T)	(S)
Kansas City Terminal Railway Company	x			x
Lake Superior Terminal and Transfer Railway Company	x		x	
Lake Terminal Railroad Company	@-x		@-x	
Los Angeles Junction Railway Company	x			x
Manufacturers Railway Company	x		x	

Meridian & Bigbee		#-x		#-x	
<u>McKeesport Connecting Railroad Company</u>		@-x			
Milwaukee Road Inc., The	@-x	@-x	@-x		
Minnesota, Dakota & Western Railway Company		#-x		#-x	
Minnesota Transfer Railway Company				x	
Mississippi Export Railroad Company		#-x	#-x	#-x	#-x
Missouri-Kansas-Texas Railroad Company		x	x	x	
Missouri Pacific Railroad Company	x	x	x	x	
<u>Monongahela Railway Company</u>		#-x		#-x	
Montour Railroad Company		#-x		#-x	
Newburgh and South Shore Railway Company		@-x		@-x	
New Orleans Public Belt Railroad		x			x
Norfolk and Portsmouth Belt-Line Railroad Company		x	x		
Norfolk and Western Railway Company		x	x	x	
<u>Oakland Terminal Railway</u>		x		x	
Ogden Union Railway and Depot Company				x	
Oklahoma, Kansas & Texas Railroad Company			x	x	
Peoria and Pekin Union Railway Company		x		x	
Pittsburgh and Lake Erie Railroad Company			#-x		
Pittsburgh, Chartiers & Youghiogeny Railway Company		#-x		#-x	
<u>Portland Terminal Railroad Company</u>					x
Port Terminal Railroad Association	x		x		
Richmond, Fredericksburg and Potomac Railroad Company			x	x	
Sacramento Northern Railway Company				x	
St. Joseph Terminal Railroad Company		x		x	
<u>St. Louis Southwestern Railway Company</u>				x	
<u>SEABOARD SYSTEM:</u>					
Seaboard System Railroad:					
Seaboard Coast Line Railroad (former)		x	x	x	x
Louisville and Nashville Railroad (former)		x	x	x	x
Georgia Railroad (former)		x	x	x	x
Clinchfield Railroad		x	x	x	x
Atlanta and West Point Railroad -		x	x	x	x
<u>Western Railway of Alabama</u>		x	x	x	x
Southern Pacific Transportation Company -					
Western Lines	5-x	x	7-x	6-x	
Eastern Lines		5-x	x	7-x	6-x
<u>Soo Line Railroad Company</u>		@-x	@-x	@-x	

EXHIBIT A
page 3

	<u>RAILROADS</u>			
	(E)	(C)	(T)	(S)
Southern Railway Company	x	x	x	
Alabama Great Southern Railroad Company	x	x	x	x
Cincinnati, New Orleans and Texas Pacific Railway Company	x	x	x	
Georgia Southern and Florida Railway Company	x	x	x	
New Orleans Terminal Company	x		x	

Atlantic East Carolina Railway Company	x	x	x	
St. Johns River Terminal Company	x		x	
Spokane International Railroad Company	x	x		x
Terminal Railroad Association of St. Louis	x		x	
Texas Mexican Railway Company	x		x	
Union Pacific Railroad	x	x	x	
Western Pacific Railroad Company		x	x	x
Wichita Terminal Association	x			x
Yakima Valley Transportation Company			x	
Youngstown and Southern Railway Company			#-x	

NOTES:

- # - Authorization excludes negotiation of the organization's notice dated January 3, 1984 of desire to change existing agreements to the extent indicated in Attachment I thereto, and such proposals as the carrier for concurrent handling therewith.
- @ - Authorization excludes negotiation of the organization's January 23, 1984 of desire to change existing agreements indicated in Attachment 2 thereto, and such proposals as the carrier for concurrent handling therewith.
- 1 - Authorization covers employees of former Great Northern, Chicago, Burlington & Quincy, Worth & Denver, Colorado & Southern (does not represent firemen on former FW&D and former C&S), Walla Walla Valley, and Joint Texas Division (of CRI&P and former FW&D)
- 2 - Authorization also covers former BR&P territory, former Strouds Creek & Muddlety territory, former Curtis Bay Railroad, and former Western Maryland Railway Company.
- 3 - Authorization also covers the former BR&P territory.

EXHIBIT A
page 4

NOTES: (continued)

- 4 - Authorization also covers former BR&P territory, former Strouds Creek and Muddlety Maryland Railway Company.
- 5 - Includes Nogales Yard and former El Paso and Southwestern System.
- 6 - Includes former El Paso and Southwestern System.
- 7 - Excludes Yardmasters on the Harbor Belt Line Railroad which are represented by the UTU(C-T) General Chairman on Southern Pacific.

FOR THE CARRIERS:

Charles I. Hopkins, Jr.

FOR THE
UNITED TRANSPORTATION UNION:

Fred A. Hardin

Washington, D.C.
October 31, 1985

united
transportation
union

FRED A. HARDIN
International President
44107

R. R. BRYANT
Assistant President

THOMAS J. McGUIRE
General Secretary and Treasurer

14600 DETROIT AVENUE
CLEVELAND, OHIO

PHONE: 216-228-9400

September 5, 1986

LETTER NO. WR-14-84

Chairpersons,
General Committees of Adjustment
United Transportation Union
Railroads in the United States

RE: October 31, 1985 National
Agreement Questions and Answers

Dear Sirs and Brothers:

Attached is the first issue of agreed upon Questions and Answers on various rules and provisions of the October 31, 1985 National Agreement.

Questions and Answers on rules and provisions not covered in the initial issue will be furnished when available as will additional Questions and Answers on the rules and provisions contained herein.

If we are unable to resolve all disputes within the next two weeks, we will enter into expedited arbitration on those issues and a complete set of all Questions and Answers will then be distributed to all concerned.

Fraternally yours,

Fred A. Hardin
President

Attachment

cc: International Officers

UNITED TRANSPORTATION UNION
NATIONAL AGREEMENT
OCTOBER 31 1985

**AGREED UPON
QUESTIONS AND ANSWERS**

UNITED TRANSPORTATION UNION
R&S DEPARTMENT
AUGUST 25, 1986

ARTICLE I (UTU)

General Wage Increases

Q-1: Would a payment prescribed for a lunch period/meal period violation be considered a "duplicate time payment" in application of Section 8 of Article I?

A-1: No.

* * * * *

ARTICLE II (UTU)

Cost-of-Living Adjustments

Section I

Section 1 - Amount and Effective Dates of Cost-of-Living Adjustments

"(b) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight time, overtime, vacations, holidays and to special allowances in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money or to mileage rates of pay for miles run in excess of the number of miles comprising a basic day."

Q-1: Section 1, Paragraph (b) provides, in part, that while a cost-of-living allowance is in effect, such cost-of-living allowance ". . . shall not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money or to mileage rates of pay for miles run in excess of the number of miles comprising a basic day." In view of this language, should the 13 cent COLA float from the last agreement be backed out of all arbitraries prior to the rates for such arbitraries being frozen?

A-1: No.

* * * * *

ARTICLE III (UTU)

Lump Sum Payment

"A lump sum payment, calculated as described below, will be paid to each employee subject to this Agreement who established an employment relationship prior to the date of this Agreement and has retained that relationship or has retired or died.

"Employees with 2,150 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations and holidays) during the period July 1, 1984 through July 31, 1985 will be paid \$565.00. Those employees with fewer straight time hours paid for will be paid an amount derived by multiplying \$565.00 by the number of straight time hours (including vacations and holidays, as described above) paid for during that period divided by 2,150."

Q-1: In totaling an employees "straight time hours" as reported to the ICC, are hours earned in service under agreements other than the UTU to be omitted?

A-1: Yes.

* * * * *

Q-2: Is the lump sum payment to be allowed to employees who have transferred to a new seniority district, have not lost their seniority on the previous seniority district but who subsequently (made) an election to retain seniority on only one of the two seniority districts?

A-2: Yes.

* * * * *

Q-3: If the answer to the above question is "Yes", are all "straight time hours" reported for service on both seniority districts to be included?

A-3: Yes.

* * * * *

Q-4: Are lump sum payments applicable to suspended employees as well as employees who are later reinstated with rights unimpaired?

A-4: Yes.

* * * * *

PAGE 2

Q-5: Would hours reported for service performed as an engineer as well as a fireman be included?

A-5: Only if the service as an engineer was under an agreement with the UTU.

* * * * *

Q-6: If a fireman is furloughed and works part-time as a brakeman, would hours reported for service performed in both crafts be included?

A-6: Yes.

* * * * *

Q-7: (a) Is the lump sum payment applicable to an employee who, on the effective date of the UTU Agreement, was working as an engineer under the BLE Agreement?

(b) If so, are only hours reported for service performed under the UTU Agreement to be included?

A-7: (a) Yes.

(b) Yes.

* * * * *

ARTICLE IV (UTU)

Pay Rules

Section 1

Section 1 - Mileage Rates

"(a) Mileage rates of pay for miles run in excess of the number of miles comprising a basic day (presently 100 miles in freight service and 100 miles for

engine crews and 150 miles--for train crews in through passenger service) will not be subject to general, cost-of-living, or other forms of wage increases.

"(b) Mileage rates of pay, as defined above, applicable to interdivisional, interseniority district, intradivisional and/or intraseniority district service runs now existing or to be established in the future shall not exceed the applicable rates as of October 31, 1985. Such rates shall be exempted from wage increases as provided in Section 1(a) of this Article. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision."

Q-1: Is the over-mile rate for interdivisional runs already in effect frozen?

A-1: Yes, at the rate of pay in effect on October 31, 1985.

* * * * *

Q-2: Are local or system agreements dealing with interdivisional runs cancelled or have the over-miles just been frozen?

A-2: Such agreements are not cancelled; however, in application of Section 1(b) of Article IV, payments for miles run in excess of the number of miles encompassed in the basic day are frozen at the rate of pay in effect on October 31, 1985 for the first 100 miles or less.

* * * * *

ARTICLE IV (UTU)

Pay Rules

Section 2

Section 2 - Miles in Basic Day and Overtime Divisor

"(a) The miles encompassed in the basic day in through freight and through passenger service and the divisor used to determine when overtime begins will be changed as provided below:

"Effective Date of Change	Through Freight Service		Through Passenger Service	
	Miles in Basic Day	Overtime Divisor	Miles in Basic Day*	Overtime Divisor
November 1, 1985	102	12.75	153-102	20.4
July 1, 1986	104	13.0	156-104	20.8
July 1, 1987	106	13.25	159-106	21.2
June 30, 1988	108	13.5	162-108	21.6

"* The higher mileage numbers apply to conductors and brakemen and the lower mileage numbers apply to engineers and firemen.

"(b) Mileage rates will be paid only for miles run in excess of the minimum number specified in (a) above.

"(c) The number of hours that must lapse before overtime begins on a trip in through freight or through passenger service is calculated by dividing the miles of the trip or the number of miles encompassed in a basic day in that class of service, whichever is greater, by the appropriate overtime divisor. Thus, after June 30, 1988, overtime will begin on a trip of 125 miles in through freight service after $125/13.5 = 9.26$ hours or 9 hours and 16 minutes. In through freight service, overtime will not be paid prior to the completion of 8 hours of service."

PAGE 2

Q-1: Is the 102/108 mile day applicable to locals, work trains or road switchers?

A-1: No.

* * * * *

Q-2: Under an existing agreement covering pooling of cabooses, employees are allowed an additional 1 cent, per mile, with a minimum of \$1.00 for the run. On a run of 120 miles the payment would be \$1.20 and on a run of 90 miles the payment would be \$1.00. Under the provisions of Section 2(a) would the payment for the 90 mile run be \$1.02?

A-2: No.

* * * * *

Q-3: In a commuter operation, the short turnaround passenger service rule provided in the November 21, 1947 ORC-BRT Agreement is utilized, i.e., "no single trip of which exceeds 80 miles". Are the provisions of Section 2(a) of Article IV applicable to this operation?

A-3: No, the provisions of Section 2(a) are applicable to through passenger service and are not applicable to the short turnaround passenger service operation described.

* * * * *

Q-4: Article IV, Section 2(c) illustrates how to compute the number of hours of overtime, if any, associated with a given through freight or through passenger run. How is the payment for those hours to be computed?

A-4: The overtime payment can be computed in terms of hours or miles with identical results. On an hourly basis, the number of hours determined by the Article IV, Section 2(c) calculation will be multiplied by the basic day rate and by the .1875 factor (which results from multiplying by the punitive factors of 1.5 and dividing by 8 hours). If the hours are converted to miles by multiplying the number of hours by the current overtime division (12.5, 12.75, 13, 13-25 or 13.5) and by the 1.5 punitive factors, then the results will be multiplied by mileage rate derived by dividing the basic day rate by the number of miles encompassed by the basic day (100, 102, 104, 106 or 108).

As an example, a trip of 125 miles made in November 1985, and completed in 11 hours would go on overtime after 9.8 hours (125 divided by 12.75); thus 1.2 overtime hours would be due. At a basic day rate of \$96.00, the overtime pay on an hourly basis would be \$21.60 (1.2 hours * 96.00 * .1875). Converted to miles, the 1.2 overtime hours = 22.95 miles (1.2 hours * 12.75 mph * 1.5). Multiplying rate of .9412 (96-00 divided by 102 miles) also produces the \$21.60 result (1.2 * 94.12 * .19125).

* * * * *

PAGE 3

Q-5: How shall non-duplicate time payments expressed in miles be paid following changes in miles in basic day pursuant to Section 2? (e.g., 50 miles runaround rule.)

A-5: Where the obvious intent of the parties was to apply a percentage of a basic day (e.g., 50 miles equals 500.), such intent shall be continued (50" equals 51, 52, 53 or 54 miles depending on effective date of change

* * * * *

Q-6: Are road employees who are confined to runs which are paid for on a daily basis without a mileage component (basic day) entitled to holiday pay?

A-6: Yes, if they meet the other qualifying requirements.

* * * * *

ARTICLE IV (UTU)

Pay Rules

Section 4

Section 4 - Engine Exchange (Including Adding and Subtracting of Units) and Other Related Arbitraries.

"(a) Effective November 1, 1985, all arbitrary allowances provided to employees for exchanging engines, including adding and subtracting units, preparing one or more units for tow, handling locomotive units not connected in multiple, and

coupling and/or uncoupling appurtenances such as signal hose and control cables are reduced by an amount equal to one-third of the allowance in effect as of October 31, 1985.

"(b) Effective July 1, 1986, all arbitrary allowances provided to employees for performing work described in paragraph (a) above are reduced by an amount equal to two-thirds of the allowance in effect as of October 31, 1985.

"(c) Effective July 1, 1987, all arbitrary allowances provided to employees for performing work described in paragraph (a) above are eliminated."

Q-1: Under a local agreement, employees in a certain territory are currently paid an engine arbitrary of one hour for picking up engines. Is this agreement still applicable?

A-1: Yes, except for the pay provisions. The one hour arbitrary will be eliminated over the period described in Sections 4(a), (b) and (c) of Article IV.

* * * * *

ARTICLE IV (UTU)

Pay Rules

Section 5

Section 5 - Duplicate Time Payments

"(a) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, shall not apply to employees whose seniority in train or engine service is established after the date of this Agreement.

"(b) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, not eliminated by this Agreement shall not be subject to general, cost-of-living or other forms of wage increases."

Q-1: Is payment to a road crew of additional compensation for violation of the road-yard rule considered a duplicate time payment?

A-1: No.

* * * * *

Q-2: Where passenger trains are turned, is a payment currently in effect frozen or eliminated?

A-2: Assuming that this question relates to Sections 5(a) and (b) of Article IV, dealing with duplicate time payments, such arbitraries are frozen at rates in effect on October 31, 1985 for existing employees and are not payable to employees establishing seniority in a UTU represented craft after the effective date of the agreement. If the locomotive only is turned, however, agreements requiring pay for turning locomotives are superseded by the provisions of Article VIII, Section 3(a)2 and/or (b)2. and the arbitrary is eliminated.

* * * * *

Q-3: Is held-away-from-home terminal time to be paid for at the rate of pay in effect on October 31, 1985?

A-3: No. It is payable at the current rates.

* * * * *

ARTICLE IV (UTU)

Pay Rules

Section 6

Section 6 - Rate Progression - New Hires

"In any class of service or job classification, rates of pay, additives, and other applicable elements of compensation for an employee whose seniority in train or engine service is established after the date of this Agreement will be 75% of the

rate for present employees and will increase in increments of 5 percentage points for each year of active service until the new employee's rate is equal to that of present employees. A year of active service shall consist of a period of 365 calendar days in which the employee performs a total of 80 or more tours of duty."

Q-1: An employee, hired on December 1, 1985, works 6 tours of duty per month and, accordingly, on December 1, 1986 he will have worked 72 tours of duty. If he continues to work 6 tours of duty per month and on January 10, 1987 he will have worked his 80th tour of duty, will he be entitled to an increase to 80% of the regular rate effective January 11, 1987?

A-1: Yes.

* * * * *

Q-2: An employee hired subsequent to the effective date of the UTU Agreement performs his 79th tour of duty on the 365th day following his date of hire.

(a) When would this employee receive a 5% increase in rate progression?

(b) Would a new 365/80 qualifying period then begin?

A-2: (a.) After performance of the 80th tour of duty.

(b) Yes.

* * * * *

PAGE 2

Q-3: An employee hired subsequent to the effective date of the UTU Agreement attains his 80th tour of duty 240 days after entering service. Would this employee receive the 5% increase at that time or at the expiration of 365 calendar days?

A-3: At the expiration of 365 calendar days.

* * * * *

Q-4: Is it intended that the 365 calendar day period be continuous without interruption, such as furlough, injury, illness, suspension resulting from disciplinary action, etc?

A-4: Yes, however, a subsequent 365 calendar day period for purposes of this rule would not commence until the involved employee attains his 80th tour of duty.

* * * * *

Q-5: An employee hired subsequent to the effective date of the UTU Agreement performs his first tour of duty on January 1, 1986 and completes his 80th tour of duty on January 5, 1987. Would this employee receive a 5% increase after completion of his 80th tour of duty on January 5, 1987 or will he have forfeited the increase by failing to make the 80 tours of duty within the 365 day period, January 1, 1986 - January 1, 1987?

A-5: The 5% increase would be applicable following the 80th tour of duty, i.e., as of January 6, 1987.

* * * * *

Q-6: If an employee subject to the entry rate provisions of this Article is disciplined, and such discipline is subsequently set aside with pay for time lost, will such pay for time lost be credited toward the 80 tours of duty in a 365 calendar day period?

A-6: Yes.

* * * * *

Q-7: In application of Section 6, when an engine service employee is placed on the bottom of the appropriate ground service roster in compliance with Section 2, Establishing Brakeman Seniority, of Article XIII - Firemen or a train service employee transfers to engine service on or after November 1, 1985, is such employee considered a new employee and subject to the entry rate provisions?

A-7: No. This section is intended to apply solely to "new hires" who had not established seniority in train or engine service on that railroad.

* * * * *

PAGE 3

Q-8: If an employee does not have 60 tours of duty at the end of a 365 day period, will the 365 days be extended until 80 tours are accumulated and at that point a new 365 day period would commence?

A-8: Yes.

* * * * *

A R T I C L E V (UTU)

Final Terminal Delay, Freight Service

Section 3

Section 3 - Payment Computation

"All final terminal delay, computed as provided for in this Article, shall be paid for, on the minute basis, at one-eighth (1/8th) of the basic daily rate in effect as of October 31, 1985., according to class of service and engine used, in addition to full mileage of the trip, with the understanding that the actual time

consumed in the performance of service in the final terminal for which an arbitrary allowance of any kind is paid shall be deducted from the final terminal time under this Article. The rate of pay for final terminal delay allowance shall not be subject to increases of any kind.

"After road overtime commences, final terminal delay shall not apply and road overtime shall be paid until finally relieved from duty.

"NOTE: The phrase "relieved from duty" as used in this Article includes time required to make inspection, complete all necessary reports and/or register off duty."

Q-1: Train (A) arrived at the point where computation of final terminal delay time commenced at 9:00 P.M. Road overtime commenced at 10:10 P.M. and the crew was relieved from duty at 10:30 P.M. Under these circumstances, would 10 minutes final terminal delay and 20 minutes road overtime be the proper payment?

A-1: Yes.

* * * * *

Q-2: When a crew commences final terminal delay and then overtime becomes applicable, is the mileage stopped when the final terminal delay payments stop or does it continue while overtime is applicable?

A-2: Article V does not change existing agreements on the payment of mileage. Mileage does not stop when pay for final terminal delay stops due to the overtime threshold being reached; however, overtime does not start until the time on duty exceeds the miles run divided by the appropriate overtime divisor.

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ARTICLE V (UTU)

Final Terminal Delay, Freight Service

Section 5

Section 5 - Exceptions

"This Article shall not apply to pusher, helper, mine run, shifter, roustabout, transfer, belt line, work, wreck, construction, road switcher or district run service. This Article shall not apply to circus train service where special rates or allowances are paid for such service.

"NOTE: The question as to what particular service is covered by the designations used in Section 5 shall be determined on each individual railroad in accordance with the rules and practices in effect thereon.

Q-1: What is the definition of "district run service" as used in Section 5?

A-1: Road Switcher service as defined in the May 25, 1951 and May 23, 1952 National Agreements.

* * * * *

Q-2: Does Article V apply to conductor-pilots on detoured trains?

A-2: Depends on local rule covering pilots.

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**ARTICLE VI (UTU)
Deadheading**

Existing rules covering deadheading are revised as follows:

Section I

Section 1 - Payment When Deadheading and Service Are Combined

"(a) Deadheading and service may be combined in any manner that traffic conditions require, and when so combined employees shall be paid actual miles or hours on a continuous time basis, with not

less than a minimum day, for the combined service and deadheading. However, when deadheading from the away-from-home terminal to the home terminal is combined with a service trip from such home terminal to such away-from-home terminal and the distance between the two terminals exceeds the applicable mileage for a basic day, the rate paid for the basic day mileage portions of the service trip and deadhead shall be at the full basic daily rate.

"(b) Employees deadheading into their home terminal can have their deadhead combined with service out of that terminal only when the deadhead and service comes within the provisions of short turnaround service rules."

Q-1: If an employee works from his home terminal to the away-from-home terminal and then deadheads from the away-from-home terminal to the home terminal, is it necessary to notify the employee to combine deadhead and service prior to going off duty on the service trip?

A-1: Yes.

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Q-2: Does the Carrier have the sole right to determine whether deadheading will be combined with service or paid for separately?

A-2: Yes.

* * * * *

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Q-3: How is a crew or individual to know whether or not deadheading is combined with service?

A-3: When deadheading for which called is combined with subsequent service, will be notified when called. When deadheading is to be combined with prior service, will be notified before being relieved from prior service. If not so notified, deadheading and service cannot be combined.

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Q-4: Can notification to combine deadheading and service be included in a bulletin: e.g., where a crew regularly performs deadheading that the Carrier wishes to combine with service?

A-4: Yes.

* * * * *

Q-5: Where deadheading is combined with service with a mileage component, what is the rate of pay for the deadhead portion of the trip?

A-5: The rate of pay allowed for the service portion of the trip.

* * * * *

Q-6: Does the new deadhead rule deal in any way with employees using their personal automobiles to deadhead?

A-6: No. Use of automobiles is not involved in this rule and local agreements and understandings continue to apply.

* * * * *

Q-7: Are local agreements such as "if deadheaded by highway, highway mileage applies and if deadheaded by rail, rail mileage applies" preserved by the new agreement?

A-7: Yes, in those situations where deadheading is combined with service and is paid for on a mileage basis.

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Q-8: In situations where the carrier chooses to combine deadheading with service, at what point does initial terminal delay begin?

A-8: At the point and time the crew actually reports on duty for the service trip.

* * * * *

ARTICLE VI (UTU)

Deadheading

Existing rules covering deadheading are revised as follows:

Section 2

Section 2 - Payment For Deadheading Separate From Service

"When deadheading is paid for separate and apart from service:

"(a) For Present Employees*

"A minimum day, at the basic rate applicable to the class of service in connection with which deadheading is performed, shall be allowed for the deadheading, unless actual time consumed is greater, in which event the latter amount shall be allowed.

"(b) For New Employees**

"Compensation on a minute basis, at the basic rate applicable to the class of service in connection with which deadheading is performed, shall be allowed. However, if service after deadheading to other than the employee's home terminal does not begin within 16 hours after completion of deadhead, a minimum of a basic day at such rate will be paid if deadheading from service at other than the employee's home terminal does not commence within 16 hours of completion of service, a minimum of a basic day at such rate will be paid.

"A minimum of a basic day also will be allowed where two separate deadhead trips, the second of which is out of other than the home terminal, are made with no intervening service performed. Non-service payments such as held-away-from-home terminal allowance will count toward the minimum of a basic day provided in this Section 2(b).

"*Employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement.

"**Employees whose earliest seniority date in a craft covered by this Agreement is established after the date of this Agreement.31

Q-1: Can a runaround occur when a crew working into the away-from-home terminal is relieved and deadheaded home separate from service?

A-1: Local runaround rules continue to apply.

* * * * *

Q-2: Are preexisting rules which provide for less than a minimum day payment when deadheaded separate and apart from service eliminated so as to now require payment of a basic day when applicable?

A-2: Yes, unless the carrier has notified the organization of their desire to retain their preexisting rule on or before November 1, 1985.

* * * * *

Q-3: Section 2(a) provides that the payment to present employees for deadheading separate from service is a minimum day at the basic rate applicable to the class of service in connection with which deadheading is performed. Does this supersede the current rule which provides that payment for deadheading on passenger trains shall be at 112 rate?

A-3: Yes.

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ARTICLE V 11 (UTU)

Road Switchers, Etc.

Section I

Section I - Reduction in Work Week

"(a) Carriers with road switcher (or similar operations), mine run or roustabout agreements in effect prior to the date of this Agreement that do not have the right to reduce six or seven-day

assignments to not less than five, or to establish new assignments to work five days per week, shall have that right.

"(b) The work days of five-day assignments reduced or established pursuant to Section I(a) of this Article shall be consecutive. The five-day yard rate shall apply to new assignments established pursuant to Section I(a) of this Article Assignments reduced pursuant to Section I(a) shall be compensated in accordance with the provisions of Section I(c).

"(c) If the working days of an existing assignment as described in Section I(a) are reduced under this Article, an allowance of 48 minutes at the existing straight time rate of that assignment in addition to the rate of pay for that assignment will be provided. Such allowance will continue for a period of three years from the date such assignment was first reduced. However, such allowance will not be made to employees who establish seniority in train or engine service after the date of this Agreement. Upon expiration of the three year period described above, the five day yard rate will apply to any assignment reduced to working less than six or seven days a week pursuant to this Article.

"(d) The annulment or abolishment and subsequent reestablishment of an assignment to which the allowance provided for above applies shall not serve to make the allowance inapplicable to the assignment upon its restoration."

Q-1: Does the three year period referred to in Section I(c) mean the duration of the agreement?

A-1: No. The three year period commences from the date the assignment involved is reduced.

* * * * *

Q-2: Is the 48 minute allowance provided for in Section I(c) applicable on guaranteed days, holidays, or just service days?

A-2: Such allowance is applicable on the advertised or bulletined work days of a qualifying assignment, including days on which such assignment is annulled and paid a guarantee.

* * * * *

Q-3: The Carrier has assignments which are advertised as "mine runs" but which are paid the same rate of pay as local freight. Do the provisions of paragraph (a) of Section 1-which refers to mine runs apply to these assignments?

A-3: Yes, the rate of pay does not change the character of the assignment.

* * * * *

Q-4: Do the provisions of Article VII, Section 1, allow the Carrier to abolish six day local freight assignments and establish five day road switchers in their place?

A-4: Only if carrier had a preexisting right to abolish six-day locals and establish six-day road switchers. If carrier did not have such right, it must proceed under the provisions of Section 2.

* * * * *

Q-5: If new five-day road switchers are established pursuant to Section 1, would they be paid the 48 minute allowance or the five day yard rate of pay?

A-5: The five day yard rate of pay.

* * * * *

Q-6: If carrier did not have a preexisting right to reduce a six day road switcher assignment to a five day assignment and does so under Section 1, how would such an assignment be paid?

A-6: At an allowance of 48 minutes at the existing straight time rate, in addition to the rate of pay of the assignment for a three year period from the date such assignment was reduced. The 5-day yard rate of pay becomes applicable to such an assignment upon expiration of the three year period.

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Q-7: Is the 48 minute payment provided for in Section 1(c) subject to all future wage increases for the duration of applicability?

A-7: Yes, subject to the same increases as the pay of the assignment.

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Q-8: If a carrier reduces an existing road switcher assignment to 5 or 6 days, may it subsequently reestablish the assignment for 6 or 7 days?

A-8: Yes.

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Q-9: Under the above circumstances, is the 48 minute payment suspended during the period in which the assignment works 6 or 7 days?

A-9: Yes. However, it would again be payable if the assignment was subsequently reduced until the expiration of the 3 year period.

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ARTICLE VIII (UTU)

Road, Yard and Incidental Work

Section 1

Section 1 - Road Crews

"Road crews may perform the following work in connection with their own trains without additional compensation:

"(a) Get or leave their train at any location within the initial and final terminals and handle their own switches. When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty point fixed for that assignment and such point is not within reasonable walking distance of the on and off duty point, transportation will be provided.

"(b) Make up to two straight pick-ups at other locations in the initial terminal in addition to picking up the train and up to two straight set-outs at other locations in the final terminal in addition to yarding the train; and, in connection therewith, spot, pull, couple, or uncouple cars set out or picked up by them and reset any cars disturbed.

"(c) In connection with straight pick-ups and/or set-outs within switching limits at intermediate points where yard crews are on duty, spot, pull, couple or uncouple cars set out or picked up by them and reset any cars disturbed in connection therewith.

"(d) Perform switching within switching limits at times no yard crew is on duty. On carriers on which the provisions of Section I of Article V of the June 25, 1964 Agreement are applicable, time consumed in switching under this provision shall continue to be counted as switching time. Switching allowances, where applicable, under Article V, Section 7 of the June 25, 1964 Agreement or under individual railroad agreements, payable to road crews, shall continue with respect to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and such allowances are not subject to general or other wage increases."

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Q-1: In application of the provisions of Section 1(b), of Article VIII is there any limit to the couplings that road crews can be required to make when picking up cars?

A-1: The language "spot, pull, couple or uncouple cars set out or picked up by them and reset any cars disturbed" in Sections 1(b) and (c) of Article VIII was intended to apply to setting out and picking up cars and no limit is imposed on the number of couplings a crew may make when performing such work.

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Q-2: Under the provisions of Section I(a) a crew is relieved from duty at a point short of the off-duty point of the assignment, and is provided transportation to the off-duty point. How are the time and miles involved for such a trip computed?

A-2: The time would be continuous until reaching the off-duty point. Computation of the miles depends on local rules and practices.

* * * * *

Q-3: Train to be yarded in Track B of bowl yard makes a set-out at east yard, a set-out in Track A of the bowl yard, yards the balance of train in Track B., and then places cabooses on the caboose track. Track B of the bowl yard would have held the balance of the train after the set-out at east yard. It is our understanding that the set-out in Track A of the bowl yard is a second set-out in the final terminal. Is this the correct interpretation of the rule?

A-3: No.

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Q-4: Can we require an inbound crew to shove their setouts to a particular spot on the yard track, i.e., to air hose or the bottom of the track?

A-4: Yes.

Q-5: An outbound crew picks up cars from the A Yard, from the B Yard and couples to the caboose in the C Yard. When would initial terminal delay cease, upon departure from the A Yard or when the train is assembled with the caboose in the C Yard?

A-5: There has been no change in the application of ITD Rules.

PAGE 3

Q-6: May road crews now be required to pick up or set out cars in a foreign carrier's yard or in their own yard in connection with solid over-the-road train movements under Article VII of the 1972 Agreement?

A-6: Article VIII did not change the existing interpretations regarding solid over-the-road train operations.

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ARTICLE VIII (UTU)

Road, Yard and Incidental Work

Section 2

Section 2 - Yard Crews

"Yard crews may perform the following work outside of switching limits without additional compensation except as provided below:

"(a) Bring in disabled train or trains whose crews has tied up under the Hours of Service Law from locations up to 25 miles outside of switching limits.

"(b) Complete the work that would normally be handled by the crews of trains that have been disabled or tied up under the Hours of Service Law and are being brought into the terminal by those yard crews. This paragraph does not apply to work train or wrecking service.

Note: For performing the service provided in (a) and (b) above, yard crews shall be paid miles or hours, whichever is the greater, with a minimum of one (1) hour for the class of service performed (except where existing agreements require payment at yard rates) for all time consumed outside of switching limits. This allowance shall be in addition to the regular yard pay and without any deduction therefrom for the time consumed outside of switching limits. Such payments are limited to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and is not subject to general or other wage increases.

"(c) Perform service to customers up to 20 miles outside switching limits provided such service does not result in the elimination of a road crew or crews in the territory. The use of a yard crew in accordance with this paragraph will not be construed as giving yard crews exclusive rights to such work. This paragraph does not contemplate the use of Yard crews to perform work train or wrecking service outside switching limits,

"(d) Nothing in this Article will serve to prevent or affect in any way a carrier's right to extend switching limits in accordance with applicable agreements. However, the distances prescribed in this Article shall continue to be measured from switching limits as they existed as of August 25, 1978, except by mutual agreement.

PAGE 2

"(e) Yard crews may perform hostling work without additional payment or penalty."

Q-1: Is it correct to assume that under Section 2(c) of Article VIII no additional payment would be required for a yard crew serving customers up to 20 miles outside switching limits?

A-1: Yes.

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Q-2: Under Section 2 -.Yard Crews - Can we now have a reduced yard crew go the 25 mile limit and perform local work inbound with the train relieved due to the hours of service law?

A-2: The yard crew may be required to perform the local work inbound with the train relieved; however, that portion of the question relating to a "reduced" yard crew may depend on local crew consist agreement.

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Q-3: Does the term "hostling work" in Section 2(e) include hostling work inside switching limits?

A-3: Yes.

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Q-4: Does service pursuant to Section 2(c) of Article VIII require compilation of equity reports?

A-4: No.

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ARTICLE VIII (UTU)

Road, Yard and Incidental Work

Section 3

Section 3 - Incidental Work

"(a) Road and yard employees in ground service and qualified engine service employees may perform the following items of work in connection with their own assignments without additional compensation:

- " (1) Handle switches
- " (2) Move, turn and spot locomotives and cabooses
- " (3) Supply locomotives and cabooses except for heavy equipment and supplies generally placed on locomotives and cabooses by employees of other crafts
- " (4) Inspect cars
- " (5) Start or shutdown locomotives
- " (6) Bleed cars to be handled
- " (7) Make walking and rear-end air tests
- " (8) Prepare reports while under pay
- " (9) Use communication devices, copy and handle train orders, clearances and/or other messages.
- " (10) Any duties formerly performed by firemen.

"(b) Road and Yard employees in engine service and qualified ground service employees may perform the following items of work in connection with their own assignments without additional compensation:

- " (1) Handle switches
- " (2) Move, turn, spot and fuel locomotives
- " (3) Supply locomotives except for heavy equipment and supplies generally placed on locomotives by employees of other crafts
- " (4) Inspect locomotives
- " (5) Start or shutdown locomotives
- " (6) Make head-end air tests
- " (7) Prepare reports while under pay
- " (8) Use communication devices; copy and handle train orders, clearances and/or other messages.

" (9) Any duties former performed by firemen."

Q-1: A carrier currently is required to pay an allowance of 15 minutes to a brakeman for supplying his caboose at an outlying point. Is this type of an arbitrary eliminated by the provisions of Section 3 of Article VIII?

A-1: Yes.

* * * * *

Q-2: An existing rule provides for a preparatory time arbitrary payment to engineers and firemen for each tour of duty worked "for all services in care, preparation and inspection of locomotives, including the making out of necessary reports required by law and the company and being on their locomotive at the starting time of their assignments." Does Section 3 of Article VIII contemplate the elimination of such an arbitrary?

A-2: No, if the engine service employees are required to report for duty in advance of the starting time of the assignment.

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ARTICLE IX (UTU)

Interdivisional Service

"(b) All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on October 31, 1985 by the number of miles encompassed in the basic day as of that date. Car scale and

weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision."

Q-1: A new interdivisional run is established on December 1, 1985 consisting of 200 miles. It is our understanding that overmiles on this assignment will be those miles in excess of 102 miles (the new basic day miles, effective November 1, 1985, pursuant to Section 2(a) of Article IV), and that the 98 overmiles will be paid at the first 100 mile rate (car scale and weight-on-drivers additives applied) in effect on October 31, 1985. Is this understanding correct?

A-1 Yes.

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ARTICLE XI (UTU)

Locomotive Standards

"In run-through service, a locomotive which meets the basic minimum standards of the home railroad or section of the home railroad may be operated on any part of the home railroad or any other railroad."

Q-1: Does Article XI apply only to solid trains (as defined in Article VII of the January 27, 1972 Agreement) in "run-through" service?

A-1: Application is not limited to inter-railroad "solid train" operations but it also applies to intra-railroad "run through" service.

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