

**AN AGREEMENT
BETWEEN**

ILLINOIS CENTRAL RAILROAD COMPANY



AND

**ITS EMPLOYEES REPRESENTED BY BROTHERHOOD OF
LOCOMOTIVE ENGINEERS AND TRAINMEN
(IC and CCP)**



December 2, 2013

TABLE OF CONTENTS

ARTICLE 1 – PURPOSE.....	1
ARTICLE 2 - GENERAL PRINCIPLES.....	1
ARTICLE 3 – RECOGNITION	1
ARTICLE 4 - SCOPE OF AGREEMENT	2
ARTICLE 5 - WAGES.....	2
ARTICLE 6 - EMPLOYMENT SECURITY	4
ARTICLE 7 - SENIORITY	4
Section 1 General	4
Section 2 Establishment	4
Section 3 Termination.....	5
Section 4 Demoted Engineers.....	5
Section 5 Re-Entering Service	5
Section 6 Seniority Maintenance Fee	5
Section 7 Seniority Districts and Extra Board Locations	6
Section 8 Prior Rights Seniority	14
Section 9 Seniority Roster	15
Section 10 Seniority Retention-Company Managers/Officers.....	15
ARTICLE 8 - JOB VACANCIES AND BIDDING	16
Section 1 Regular Assignments and Extra Boards	16
Section 2 Unassigned Service-Chain Gang.....	17
Section 3 Smart Rest	18
Section 4 Assignment to Positions	19
Section 5 Transfers.....	19
1. Temporary Transfers	19
2. Permanent Transfers.....	19
Section 6 Regulation	20
ARTICLE 9 - ANNULMENT OF ASSIGNMENTS	20
ARTICLE 10 - ABOLISHMENT AND DISPLACEMENT	20
ARTICLE 11- GUARANTEED· EXTRA BOARD (GEB)	21
ARTICLE 12 - APPROVAL OF APPLICATION FOR EMPLOYMENT.....	23
ARTICLE 13 - RULES/RECERTIFICATION/INSTRUCTION CLASSES.....	23
ARTICLE 14 - ON AND OFF DUTY POINT	24

ARTICLE 15 - CALLING FOR DUTY	25
Section 1 Calling.....	25
Section 2 Used out of Order	25
Section 3 Called and Released.....	26
Section 4 Familiarization of Territory	26
Section 5 Supplemental Boards.....	26
ARTICLE 16 – MEAL PERIODS.....	26
ARTICLE 17 - EXPENSES	27
Section 1 Held Away From Home Terminal	27
Section 2 Transportation Expense	27
Section 3 Deadheading.....	28
Section 4 Aggregate Service.....	28
ARTICLE 18 - PERSONAL LEAVE DAYS (PLD's)	28
ARTICLE 19 – BEREAVEMENT LEAVE	29
ARTICLE 20 - HOLIDAYS	29
ARTICLE 21 – VACATION.....	29
Section 1 Entitlements	30
Section 2 Brotherhood of Locomotive Engineers-and Trainmen - Union Officials.....	32
Section 3 General.....	32
ARTICLE 22 - BENEFITS.....	33
Section 1 Health & Welfare	33
Section 2 Short Term Disability	33
Section 3 Life Insurance	34
Section 4 Other Insurance.....	34
Section 5 Off Track Vehicle Accident Benefits	34
Section 6 Stock Purchase Plan.....	34
Section 7 Employee Assistance Program.....	34
Section 8 401K Plan	34
ARTICLE 23 - PHYSICAL EXAMINATIONS	35
ARTICLE 24 - MEDICAL DISQUALIFICATIONS	35
ARTICLE 25 - PAYDAY	35
ARTICLE 26- PAYROLL AND DEDUCTIONS	35
ARTICLE 27 - UNION SHOP AGREEMENT	36
ARTICLE 28 - HANDLING OF CLAIMS AND GRIEVANCES.....	38
Section 1 Representation.....	38

Section 2	Handling of Claims and or Grievances.....	38
Section 3	Handling of Discipline Appeals	39
ARTICLE 29 - INVESTIGATIONS AND DISCIPLINE		40
ARTICLE 30 - TIME OFF FOR UNION BUSINESS		41
ARTICLE 31 - ATTENDING COURT AND INQUESTS.....		41
ARTICLE 32 - LEAVE OF ABSENCE.....		41
Section 1	General	41
Section 2	Less Than 1 Year.....	42
Section 3	Illness / Injury.....	42
Section 4	Official / Military.....	42
ARTICLE 33 - JURY DUTY		43
ARTICLE 34 - BULLETIN BOARDS.....		43
ARTICLE 35 - CREW CALLING RECORDS.....		43
ARTICLE 36 - GENERAL PROVISIONS		44
Side Letter 1 – Air Conditioning		45
Side Letter 2- Claim Resolution		46
Side Letter 3-FRA 6/1 Waiver.....		47
Side Letter 4 – Hours of Service		48
Side Letter 5 – Allocation of Assignments.....		50
Side Letter 6 – Remote Control.....		51
Side Letter 7 – Shortage of Engineers – Temporary Transfer		52
	Internal IC Temporary Transfer	52
	Temporary Transfer from Other CN properties	52
	Temporary Transfer to other CN properties	53
Side Letter 8 – Familiarization of Territory		55
Side Letter 9-Rates of Pay		56
Side Letter 10 – Relocation		57
Side Letter 11– Standing Bid		58
Side Letter 12-Retroactive Backpay.....		63
ATTACHMENT “A” Questions and Answers.....		65
1.	Article 4 Scope of Agreement	65
2.	Article 5 Wages.....	65
3.	Article 6 Employment Security.....	66
4.	Article 7 Seniority.....	66
5.	Article 8 Job Vacancies and Bidding.....	69

6.	Article 11 GEB.....	69
7.	Article 14 On and Off Duty Point.....	70
8.	Article 15 Called and Released	70
9.	Student Engineers.....	71
10.	Side Letter 2 - Air Conditioning.....	72
	SENIORITY MAP	73

IT IS HEREBY AGREED:

ARTICLE 1 – PURPOSE

The parties to this Agreement agree that the fundamental objective of the Company is to operate a safe, efficient and effective railroad transport operation and a key component to the success of this venture is the contribution of Locomotive Engineers (hereinafter referred to as Engineers.)

This Agreement is founded on a principle of paying for Engineers' time on an all-inclusive basis and contemplates that in order for the operation to be successful, individuals will perform all duties requested of them, subject to the provisions contained herein. Nothing in this Agreement is intended to restrict the right of the Company to operate productively.

ARTICLE 2 - GENERAL PRINCIPLES

- A. In this Agreement, words importing the singular shall include the plural and vice versa where the context requires. Words importing the masculine gender shall include the feminine where the context requires.
- B. This Agreement is intended to be applied in a non-discriminatory manner without regard to age, race, creed, color, gender, national origin, disability, sexual orientation or marital status.
- C. The parties recognize that this is a new Agreement, which replaces any and all existing Agreements, unless otherwise provided, and introduces changes in the workplace. In recognition of this a committee consisting of the BLET General Chairman, a BLET Member appointed by the BLET General Chairman, and the Company's General Manager (s) Operations and Director Labor Relations or their respective designates, will be established. This committee will be known as the Labor / Management Resolution Committee, and will meet semi-annually at a time and location mutually agreed upon (unless otherwise agreed). In matters requiring a vote of the Committee, up to two (2) Labor Members and up to two (2) Company Members may vote.

ARTICLE 3 – RECOGNITION

- A. This Agreement covers all Engineers employed by the Company and represented by the Brotherhood of Locomotive Engineers and Trainmen under the Railway Labor Act, as amended.
- B. The term "Engineer" as herein referred to shall include employees represented by the Brotherhood of Locomotive Engineers and Trainmen, except where otherwise specifically provided for herein. The term "Company" shall mean the Canadian National Railway/Illinois Central Railroad/Chicago Central Pacific Railroad. The term "Union" or "General Committee" shall mean the Brotherhood of Locomotive Engineers and Trainmen.
- C. The right to make and interpret contracts covering rules, rates of pay and working conditions on behalf of Engineers covered by this Agreement shall be

vested in the regularly constituted General Committee of the Brotherhood of Locomotive Engineers and Trainmen.

- D. Where the term "duly accredited representative" appears herein, it shall be understood to mean the regularly constituted General Committee and/or the Officers of the Brotherhood of Locomotive Engineers and Trainmen of which such General Committee or Officers are a part.

ARTICLE 4 - SCOPE OF AGREEMENT

- A. The parties recognize that the scope of this Agreement is unlike others in the rail industry and that it must be interpreted accordingly. That being said, the primary role of an Engineer is to perform transportation duties associated with the operation of locomotives. (Q & A)
- B. The parties recognize that in order to meet a customer's immediate unanticipated service need, or to meet unanticipated operational exigencies at a time a regularly assigned crew is not present and available in the terminal for such service, and time will not permit calling a rested extra Engineer, a qualified employee may be used, without penalty, to perform such service. The term qualified employee does not include an official of the Company. (Q & A)
- C. The parties recognize that to achieve maximum efficiency of operations and to expedite movement of trains, Locomotive Engineers may perform incidental work for which they are qualified in the absence or unavailability of another employee who would otherwise perform such work. An Engineer may be required to get on another engine, if necessary, and perform an air brake test on the head end. An Engineer may be required to line switches. Engineers may be required to perform work necessary and incidental to increasing or decreasing the locomotive consist without additional compensation at points/locations where mechanical forces are not present or available in close proximity to perform the work. Engineers may also move, turn, spot, fuel, start, shut down and inspect locomotives, supply locomotives except for heavy equipment and supplies generally placed on locomotives by employees of other crafts without additional compensation.

Generally, mechanical forces shall be deemed to be available within or near identifiable roundhouse or locomotive repair facilities during normal hours of operation of such facility. It is not intended Engineers will be required to place fuel oil or other supplies on a locomotive if another qualified employee is available for that purpose. There is no penalty for performing these additional duties. However, it is clearly understood that Engineers will not be required to perform any duties that they did not perform on the day preceding this Agreement with the exception of those duties expressly identified herein.

This rule does not prohibit or restrict the performance of work which was not previously prohibited or restricted. (Q & A)

ARTICLE 5 - WAGES

- A. General Wage Increases
 - i) Effective August 1, 2010, a wage increase of 2% on the rate of pay in effect

July 31, 2010.

- ii) Effective August 1, 2011, a wage increase of 2.5% on the rate of pay in effect July 31, 2011.
 - iii) Effective August 1, 2012, a wage increase of 4.3% on the rate of pay in effect July 31, 2012.
 - iv) Effective August 1, 2013, a wage increase of 3% on the rate of pay in effect July 31, 2013.
 - v) Effective August 1, 2014, a wage increase of 3.8% on the rate of pay in effect July 31, 2014.
 - vi) Effective August 1, 2015, a wage increase of 3% on the rate of pay in effect on July 31, 2015; provided that prior to January 3, 2015 the Organization notifies the Company of its desire to accept such 3% GWI. The Agreement provides that the parties to the Agreement may serve and progress notices or proposals to amend the Agreement and other existing agreements on or after March 31, 2015 (not to be effective before August 1, 2015) ("2015 Bargaining Notices").
 - (vii) This will confirm the Parties understanding that if disposition of the 2015 Bargaining Notices is referred to any third party (including but not limited to a Presidential Emergency Board or arbitration board), this provision may be provided to such body to confirm the parties' mutual understanding that paragraph (vi) above was intended to constitute a complete resolution of the compensation adjustment issue for calendar year 2015.
 - (viii) Cost of Living Allowance increases (COLAs) applied pursuant to Side Letter No. 9 of the IC/ BLET Agreement dated January 1, 2006 during the period beginning January 1, 2011 and ending on the effective date of this Agreement will be 'rolled out' prior to application of any GWI applicable for the same period. The amounts applicable to the COLA increases which were incorporated into the straight time and overtime hourly and basic daily rates of pay pursuant to Side Letter No. 9 shall be reduced from any retroactive pay due resulting from the calculations in (i) through (iv) above.
- B. This rate will apply to all time on duty, unless otherwise specified in the Agreement.
- C. Ten (10) hours or less will constitute a basic day and pay for all time on duty after ten (10) hours will be at the rate of time and one half. Engineers requesting to be relieved during their tour of duty will be paid actual time on duty. (Q & A)
- D. Engineers who perform service, at the request of the Company, on their assigned rest days shall be paid for such service at the rate of time and one half. (Q & A)

ARTICLE 6 - EMPLOYMENT SECURITY

- A. Unless otherwise provided for in Article 32 - Leave of Absence, Section 4, Engineers who have established seniority prior to June 3, 2002, will be provided an assignment (which may be a Regular Assignment or a Guaranteed Extra Board [GEB] assignment) established pursuant to Article 8 Section 1 of this Agreement, and will not be subject to furlough, provided they have exercised their seniority to the fullest extent and remain available for service. (Q & A)
- B. Employees who qualify as Locomotive Engineers subsequent to June 3, 2002, upon their completion of 60 months of cumulative compensated service as a Locomotive Engineer under this Agreement, are afforded the protective benefits contained in paragraph A herein. Cumulative compensated service is defined as all time the employee is assigned to an Engineer position.

ARTICLE 7 - SENIORITY

Section 1 General

- A. An Engineer with an established seniority date on the effective date of June 3, 2002 will not be reduced from the Engineers' working list, except as provided in this Agreement.
- B. The right of Engineers to perform service will be governed by seniority, qualifications being equal. The Engineer longest in the service will have the preference.
- C. The Company will keep the General Chairman and each Local Chairman of the BLET supplied with lists of qualified promoted employees who will be accorded seniority dates and rank numbers as Engineers in conformity with their standing as recorded on the lists subject to the rules hereinafter provided for.

Section 2 Establishment

- A. The seniority date of the hired Engineer shall be the date of his first service as Engineer.
- B. In the event an Engineer is hired who is previously certified, this employee will establish seniority on the date of his first tour of duty as Engineer. The date that this employee establishes his seniority will also be the effective date for establishing seniority for any employees in training as a Locomotive Engineer. The previously certified Engineer will be placed on the seniority roster behind those employees already in training, or if assigned to the class will be placed on the roster by his seniority ranking in relative order of other employees in the Engineer Training Program. It is the intent that these provisions operate to prevent the runaround of Student Engineer by hired, promoted and certified Engineers when those students are in an active training class.

Section 3 Termination

- A. Terminated employees shall be removed from the seniority roster as provided for by the rules and working conditions of this Agreement.
- B. After the seniority of an employee is terminated, such person shall not be permitted to work or be re-employed by the Company in service coming under the scope of this Agreement unless otherwise mutually agreed.

Section 4 Demoted Engineers

Employees hired subsequent to June 3, 2002 and who are demoted will be used to fill Engineers' vacancies in accordance with their seniority when extra Engineers are unavailable to fill such vacancies. This applies to vacancies ordinarily filled by extra men.

Note: "Availability" as used in this article means the demoted Engineer is rested according to law or Agreement and is contacted under the terms of the calling rule.

Section 5 Re-Entering Service

Engineers reinstated retain their rank of seniority. Engineers reemployed lose their former rank and enter the service as new employees.

Section 6 Seniority Maintenance Fee

Effective with the date of this Agreement, Engineers transferring from train service shall be subject to payment of their fair share of the expenses of negotiating and administering the collective bargaining agreement governing their rates of pay, rules and working conditions within the craft of locomotive Engineers and in the protection of their continued Engineers' seniority as follows:

- A. Engineers demoted to train service will have their Engineers' seniority placed in leave of absence status and will continue to accumulate such seniority. This will apply to the period of time that such employees are required to protect their train service seniority. A service fee payment to the BLET will be required while maintaining and accumulating Engineers' seniority.
- B. A service fee will be required of Engineers transferring from train service who do not hold membership in the BLET in order to defray the cost of negotiating and administering the collective bargaining agreement governing their rates of pay, rules and working conditions and for the maintenance and accumulation of Engineers' seniority.
- C. The service fee specified in the preceding paragraphs shall be based upon the costs of negotiating and engaging in all collective bargaining matters, but in no event shall exceed the amount of full monthly dues of the BLET.
- D. The provisions outlined in Section 6 herein shall only be implemented upon thirty (30) days written notice by the General Chairman of the Brotherhood of Locomotive Engineers and Trainmen.

Section 7 Seniority Districts and Extra Board Locations

Upon the effective date of this Agreement, the following Seniority Districts will be established and will replace all Seniority Districts and Seniority Rosters previously in effect:

<u>Seniority District 1</u>		Sioux City, Council Bluffs and Fort Dodge.
<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	<u>Protects</u>
1	Fort Dodge	All Assignments at, or originating on Seniority District 1.

<u>Seniority District 2</u>		Waterloo, Cedar Rapids and Dubuque.
<u>Zone No.</u>	<u>Extra Board Location(s)</u>	<u>Protects</u>
1	Waterloo	All Assignments at, or originating on Seniority District 2.

Seniority District 3

Freeport, Hawthorne, up to, but not including Dubuque.

First out qualified Engineer on the Hawthorne GEB will also be required to protect unfilled vacancies at Chicago when the Chicago GEB is exhausted.

Zone No.

**Extra Board
Location(s) &
Source of Supply
Point(s)**

Protects

1

Hawthorne

All Assignments at or originating on Seniority District 3, and at Chicago when the Chicago GEB is exhausted.

Seniority District 4

Chicago Terminal, former Joliet District, Bridgeport to Plains and down to and including Paxton.

First out qualified Engineer on the Chicago GEB will be required to protect unfilled vacancies at Hawthorne when the Hawthorne GEB is exhausted.

Zone No.

**Extra Board
Location(s) &
Source of Supply
Point(s)**

Protects

1

Markham

All Assignments at or originating on Seniority District 4, and at Hawthorne when the Hawthorne GEB is exhausted.

Seniority District 5

Champaign, Decatur, Mattoon and Effingham down to but not including Centralia and Bluford; and up to but not including Paxton.

Other service locations included on this District are Clinton, Farmersville, Heyworth, Peoria, Elwin, Newton and Edgewood, Springfield to Gilman, but not including Gilman.

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	<u>Protects</u>
1	Champaign	Champaign <ul style="list-style-type: none">• Assignments originating up to but excluding Paxton and down to but excluding Mattoon.
2	Decatur	Decatur: <ul style="list-style-type: none">• Including Peoria - IC Junction to Mattoon, including Elwin; excluding Mattoon;• Gilman to Farmersville; Including Clinton to Heyworth, excluding Gilman.
3	Effingham	Effingham <ul style="list-style-type: none">• Assignments originating at or between Mattoon and Centralia, excluding Centralia.• Assignments originating at or between Effingham and Bluford; excluding Bluford.• Effingham District, Effingham to INRD Junction.

Seniority District 6

Centralia, East St. Louis, Benton and Baldwin, up to but not including Paducah and Mounds. Other service locations included on this District are Bluford and Metropolis.

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	<u>Protects</u>
1	Centralia	Centralia <ul style="list-style-type: none">• Assignments originating at Centralia to Mounds, excluding Mounds.
2	East St. Louis	East St. Louis <ul style="list-style-type: none">• Assignments originating at East St. Louis and on the St. Louis District but excluding DuQuoin;• Sparta District, Baldwin to Percy
3	Benton	Benton <ul style="list-style-type: none">• Assignments originating at Benton at or between Bluford and Paducah Northbound.• All assignments originating on the Eldorado District at or between DuQuoin and Eldorado.• Bluford District limited to assignments originating at or between Bluford and Paducah; including northbound assignments originating at Paducah.

Seniority District 7 Cairo, Paducah, Fulton, Dyersburg and Mounds.

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	<u>Protects</u>
1	Fulton	<ul style="list-style-type: none">• Fulton• Bluford District, Fulton to Bluford, limited to assignments originating at or between Fulton and Maxon and operating into Bluford;• Cairo District Fulton to and including Cairo, Mounds and Mounds City; Fulton District North Siding to and including Dyersburg and Union City.• South bound trains originating at Paducah or Childs.

Seniority District 8

Memphis

- a) Memphis North – all assignments operating north of Memphis including Woodstock.

First out qualified Engineer on the Memphis North GEB will be required to protect unfilled vacancies at Memphis South when the Memphis South GEB when it is exhausted.

- b) Memphis South – all assignments operating within the Memphis Terminal including traffic destined south of Memphis.

First out qualified Engineer on the Memphis South GEB will be required to protect unfilled vacancies at Memphis North when the Memphis North GEB when it is exhausted.

Note: At such time when there are no longer any former Consolidated District 4 Engineers at Memphis, the Memphis North and the Memphis South Guaranteed Extra Board's may be combined.

District 8
Zone No.

Extra Board
Location(s) & Source
of Supply Point(s)

Protects

1	Memphis North	Memphis <ul style="list-style-type: none">• Memphis District North;• Fulton District assignments originating at or between Memphis and Dyersburg; excluding Dyersburg.
2	Memphis South	Memphis Terminal / Memphis District South <ul style="list-style-type: none">• Yazoo District assignments originating at or between Memphis and Greenwood; excluding Greenwood;• Grenada District assignment originating at or between Memphis and Water Valley Junction and Durant.
3	Grenada	<ul style="list-style-type: none">• Grenada District assignments originating at or between Water Valley Junction and Durant;• Yazoo District assignments originating at or between Gwin and Greenwood.

Seniority District 9

**Jackson, McComb,
Bogalusa, Mississippi.**

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	Protects
1	Jackson	<ul style="list-style-type: none">• Jackson• Grenada District assignments originating at or between Jackson and Durant; excluding Durant;• Yazoo District assignments originating at or between Jackson and Gwin; excluding Gwin;• Beaumont District assignment originating at or between Jackson and Saratoga; excluding Saratoga;• McComb District assignments originating at or between Jackson and Brookhaven; excluding Brookhaven.
2	McComb	<ul style="list-style-type: none">• McComb District North assignments originating at or between McComb and Brookhaven; including Brookhaven;• McComb District South assignments originating at or between McComb and Hammond; excluding Hammond;
3	Bogalusa	<ul style="list-style-type: none">• Brookhaven to Natchez. Wanilla to Natchez including Natchez.• Bogalusa to Wanilla.

Seniority District 10

Hattiesburg and Mobile. Other service locations included on this District are Ferguson, Saratoga and Beaumont.

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	Protects
1	Hattiesburg	Hattiesburg; <ul style="list-style-type: none">• Beaumont District North assignments originating at or between Hattiesburg and Saratoga;• Taylorsville District assignments originating at or between Saratoga and Taylorsville;• Beaumont District South assignments originating at or between Hattiesburg and Evanston, including Ferguson; excluding Evanston
2	Mobile	Mobile <ul style="list-style-type: none">• Beaumont District North assignments originating at or between Mobile and Evanston.

Seniority District 11 **Baton Rouge, New Orleans up to and including Hammond, Slaughter and Zee. Other service locations included on this District are Geismer, Destrehan and Reserve.**

<u>Zone No.</u>	<u>Extra Board Location(s) & Source of Supply Point(s)</u>	<u>Protects</u>
1	Baton Rouge	Baton Rouge Baton Rouge District assignments originating at or between Zee and Destrehan; excluding Destrehan. Hammond District assignment originating at or between Baton Rouge and Hammond.
2	New Orleans	New Orleans <ul style="list-style-type: none"> • Baton Rouge District assignments originating at or between New Orleans and Destrehan; including Destrehan; • McComb District assignments originating at or between New Orleans and Hammond; excluding Hammond.

Section 8 Prior Rights Seniority

- A. Engineers possessing prior rights on any of the former Consolidated Seniority Districts pursuant to the May 30, 1973 IC/GM&O Merger Agreement will continue to possess relative prior rights to any existing former prior righted positions bulletined as assignments on the new Seniority Districts outlined in Section 7 herein.
- B. Engineers possessing prior Consolidated Seniority District rights will continue to possess relative prior rights to any existing former consolidated Seniority District position on their new Seniority District. (Side Letter #5 and Q & A)
- C. Regular assigned runs may operate over two or more Seniority Districts. These runs may be assigned to district Engineers on an equity basis as mutually agreed between the respective Local Chairmen and the Superintendent.

Section 9 Seniority Roster

- A. Engineers will be placed on a new District Seniority Roster in accordance with their former relative seniority standing on the applicable Illinois Central Consolidated Seniority Roster that was in effect prior to June 3, 2002. Engineers' placement to their new seniority roster will be determined by the working location of each Engineer. (Q &A)
- B. Seniority rosters will continue to be compiled by the Company and posted on or before January 1 of each year with copies furnished to the General Chairman and Local Chairmen. Rosters will show each employee's name, employee number, date of birth, date of seniority, status and prior rights code if applicable. A seniority date not protested within 90 days from its first posting will be considered permanently established, and future requests for changes will not be considered except to correct typographical errors.
- C. Employees establishing seniority on or after June 3, 2002 will be placed at the bottom of the appropriate Engineers Seniority District in the order in which they establish a seniority date as an Engineer.

Section 10 Seniority Retention-Company Managers/Officers

- A. Company managers/officers who on the effective date of this Agreement hold engine service seniority but do not otherwise pay dues to the BLET shall, in order to continue to accumulate engine service seniority, be required to pay a monthly seniority retention ("SR") fee to the BLET in an amount not to exceed the full monthly dues payable to BLET and its subordinate units by a member of that organization. Such fee shall be payable at the same time as monthly dues are payable by a BLET member. A company manager/officer who fails to pay the SR fee when due shall be promptly notified by certified mail of that non-payment by the BLET. If such default has not been resolved within thirty (30) calendar days after the date of such notice, the BLET shall provide the Company written notification of the non-payment and that individual's seniority in the engine service class/craft involved shall be frozen and that individual will not continue to accumulate seniority effective on the first calendar day after expiration of the 30-day notice period, subject to the provisions contained in Paragraph C below.
- B. Engineers, holding seniority as such, who subsequent to the effective date of this Agreement accept manager/officer positions, and who do not continue to pay dues or a monthly seniority retention ("SR") fee to the BLET as set forth in A above, shall be promptly notified by certified mail of that non-payment by the BLET. If such default has not been resolved within thirty (30) calendar days after the date of such notice, the BLET shall provide the Company written notification of the non-payment and that individual's seniority in the engine service class/craft involved shall be extinguished effective on the first calendar day after expiration of the 30-day notice period, subject to the dispute resolution provisions contained Article 27, Paragraph F of the Agreement.
- C. The SR fee required under this provision will be payable by an employee on a monthly basis beginning with the first full calendar month that immediately follows commencement of service as a manager/officer.

- D. The BLET shall indemnify and hold harmless the Company against any and all claims, demands, suits or other forms of liability that arise out of or by reason of any action taken or not taken by the Company pursuant to this Article.

ARTICLE 8 - JOB VACANCIES AND BIDDING

Section 1 Regular Assignments and Extra Boards

- A. A train/job starting 4 consecutive days during the same 4-hour window, or 6 days of a 7 day period during the same 4-hour window will be bulletined the following week and awarded the next following week.
- B. Unless otherwise agreed by the parties and in compliance with the RSIA, Work/Rest schedules for regular assignments may be any of the following patterns:

6 days followed by 2 consecutive rest days during the first week, then 4 days followed by 2 consecutive rest days the second week; or, 5 days followed by 2 consecutive rest days; or, 6 days followed by 1 rest day. (Q&A)

In the event there are no bidders for a position bulletined to work 6 days followed by 1 rest day, no employee will be forced to that 6/1 assignment; the bulletin shall be cancelled and the position filled from the Extra List or Chain Gang.
- C. Regular assignments will be bulletined with a four (4) hour calling window or an assigned start time at the home terminal. The Company may adjust the starting time of an assignment within the designated spread. In the event a regular assignment is called to report for duty or annulled two hours or more beyond the close of its advertised spread time, the Engineer will be considered on pay two (2) hours after the expiration of his advertised spread time. In the event the requirements of service necessitate calling an Engineer prior to the opening of his advertised starting spread time, the Engineer will be paid five (5) hours at the basic daily rate. (Q&A)

Example 1 Engineer A has an advertised spread time to start between 10:00 to 14:00 hours. Engineer A is called at 14:00 for a 17:00 start time.

Question: What time does Engineer A go on pay?

Answer: For pay purposes only, Engineer A goes on pay at 16:00.

Example 2 Engineer A is called to report for duty at 10:00.

Question: What time does Engineer A go on pay?

Answer: 10:00.

Example 3 Engineer A is called in advance of his advertised spread time to report for duty at 09:00.

Question: What time does Engineer A go on pay?

Answer: 09:00. However in addition to his earnings for that day, Engineer A will be allowed five hours pay at the basic rate.

- (i) Engineers in assigned service who are tied up at the away from home terminal shall run first in, first out among other assigned engineers from the same home terminal and shall run ahead of unassigned engineers from the same home terminal tied up at that terminal.

- D. Guaranteed Extra Board assignments will be established where the needs of service dictate and will be bulletined to work six (6) days with two (2) scheduled rest days and then work five (5) days with one (1) scheduled rest day on alternating weeks.

Note: The first day off in the week receiving two (2) days off must match the day off of the week receiving one day off.

Alternately, at the discretion of the Company, GEB assignments may be bulletined to work five (5) days with two (2) consecutive scheduled rest days, with the GEB guarantee pro-rated accordingly.

The Superintendent and Local Chairman may establish, by mutual agreement, an Extra Board with an 11/3 work/rest cycle. Engineers assigned to an Extra Board established to work 11/3 shall be eligible to utilize "Smart Rest" as described in Section 3 of this Article.

- E. Each terminal will maintain a bulletin listing all positions, including guaranteed extra board positions, which will include (a) the job title and the normal assigned duties of the job, (b) the home terminal and, where applicable, the away from home terminal, (c) whether the job is anticipated to tie up at the on-duty point, (d) the starting time or spread time of the assignment, if applicable and (e) the assigned day(s) off. (Q & A)
- F. Newly established positions will be bulletined for a period of five (5) days to enable interested Engineers to update their preferences in the crew calling system.

Section 2 Unassigned Service-Chain Gang

- A. Unassigned pool service ("chain gang") may be established by mutual agreement between the BLET Local Chairman and the Superintendent having jurisdiction over the territory involved, subject to the terms and conditions set forth herein.
- B. Subject to Article 8, Section 1 (C) (i) Engineers in this service will be operated on a first in, first out basis based on tie up at the home and away from home terminals.

- C. Engineers in chain gang service will be eligible at the home terminal to invoke rest ("Smart Rest") in accordance with the provisions of Article 8, Section 3.
- D. The number of turns in the chain gang pool shall be regulated by the BLET Local Chairman involved.
- E. Chain gang positions shall be bulletined in accordance with standing bid and such bulletins shall include the home and away from home terminals of the run.
- F. Chain gang service may be cancelled at any time by the Company or the Organization upon serving five (5) day advanced notice to the other of its intent to cancel such service.
- G. Chain gang positions will not have assigned rest days or any monetary guarantee.

Section 3 Smart Rest

- A. Engineers shall be permitted to request and be granted extended periods of rest ("Smart Rest") subject to the terms and conditions set forth herein.
- B. In unassigned pool freight ("chain gang") service and on extra boards where there are no assigned rest days or on which the work rest arrangement is eleven (11) work days, followed by three (3) consecutive rest days, a process (hereinafter referred to as "Smart Rest") shall be implemented upon request of a representative of BLET that will allow engineers who have had four (4) or five (5) consecutive working starts without a 24-hour period of rest to extend rest time at the home terminal prior to the fifth (5th) or sixth (6th) consecutive start in order to obtain 24 hours undisturbed rest measured from tie up from the previous tour of duty.
- C. Subject to the needs of the service, the Company shall grant an engineer's request to exercise the Smart Rest option, provided the engineer advises the proper authority of the election immediately upon tie up from the 4th or 5th consecutive tour of duty; that decision is irrevocable.
- D. For example: An engineer has had 3 consecutive starts without a 24-hour rest period and is then called on duty at 0200 on Tuesday for the 4th consecutive start and ties up at 1200 at the home terminal.
- E. This engineer would be subject to call under the current hours of service regulations at 2200. This engineer would be allowed to exercise the Smart Rest option in order to delay the next call for service until 1200 the following day (Wednesday). So long as the requirements of this section are fulfilled, there shall be no offset of guarantee for the time the employee was unavailable due to exercising Smart Rest.
- F. Provided the individual observing Smart Rest works the next available tour of duty, unavailability pursuant to the terms of this section shall not be considered in any manner when calculating availability under the terms of any availability policy or attendance guidelines.

- G. If the engineer does not work the next available tour of duty, all time beyond the minimum rest period mandated by law after the previous tie-up shall count as an absence for availability purposes and any applicable guarantee shall be proportionately offset. Use of Smart Rest in conjunction or concurrent with any scheduled rest day or other leave will result in such time being considered as an absence and such time will also be calculated to offset any guarantee.
- H. An individual subject to guarantee who exercises the Smart Rest option and is displaced prior to commencing a start on the following calendar day shall not be considered "unavailable" or subject to guarantee offset so long as that individual places immediately to another assignment and remains available for service on that following calendar day.

Section 4 Assignment to Positions

Assignment to positions shall be governed by seniority. A standing bid system will operate and employees' job preferences will be maintained in the crew calling system and can be updated at any time, As soon as vacancies (other than temporary vacancies) are known to exist, the senior Engineer having a standing bid listing for the position will be assigned.

Temporary vacancies of seven (7) days or more will be filled in accordance with the standing bid system.

Section 5 Transfers

1. Temporary Transfers

- A. In transferring Engineers from one Seniority District to another, the senior Engineer(s) shall have preference, and when returned to their home district they will be placed on assignments of their choice as identified on their standing bid form. (Side Letter 7)
- B. Engineers temporarily transferred must be returned to their home Seniority District within ninety days of the transfer. The General Chairman and the General Manager may mutually agree to extend the ninety-day limit of a temporary service assignment transfer.

2. Permanent Transfers

- A. Engineers requesting to permanently transfer from one Seniority District to another will forfeit their seniority rank on the District which they leave and will have a new seniority date established on the territory to which transferred. The General Manager of each respective Division must approve requests for permanent transfer.
- B. Seniority will be established (and cease on their former District) on the date the employee first performs service as an Engineer following the date and time of his reporting for duty to the company official in charge at the location where he has been instructed to report. The Company Official in charge at the employee's new location shall make a record of the date and hour he reports. An Engineer temporarily transferred and desiring to make it permanent shall not be given credit for time served as temporary.

Section 6 Regulation

In the regulation of assigned service boards, the Local Chairmen of the BLET may assist in the regulation of the crew starts of any assigned service on their Seniority District. It is understood, however, that the application of this Agreement will not operate to penalize the company due to any failure to keep the starts within any minimum and maximum limitations agreed upon.

ARTICLE 9 - ANNULMENT OF ASSIGNMENTS

- A. When assignments are to be annulled on holidays, the Company will provide Engineers assigned thereto at least twenty-four (24) hours' notice.
- B. When an assignment is annulled or works on New Year's Day, President's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day, the Day after Thanksgiving, Christmas Eve Day, Christmas Day or New Year's Eve Day, at the Engineer's option he may utilize a personal leave day.
- C. When assignments are annulled on other than one of the General Holidays referred to in sub-paragraph B herein, the Engineer assigned to the position may be called under the applicable rules and used on other available work within the scope of this Agreement. Employees not used will be paid for the day or time lost.
- D. On a day that an Engineer's regular assignment is bulletined to tie-up at an away-from-home-terminal and such Engineer is annulled or tied-up at the home terminal, the Engineer must be available for service on the next day and may be called ahead of the GEB, without penalty, subject to the following conditions:
 - The Engineer must be listed within the same four (4) hour calling window as scheduled for the next outbound trip.
 - The Engineer must tie up at his home terminal.
 - Engineers available but not used shall be compensated ten (10) hours at the straight time rate.
- E. In any work week during which the above conditions have been applied, Engineers who are annulled or tied-up at the home terminal on a second out-bound trip are not required to be available the next day, and will be paid per Article 9-C.

ARTICLE 10 - ABOLISHMENT AND DISPLACEMENT

- A. Engineers whose positions are abolished will be placed in accordance with the individual's standing bid.
- B. In the application of sub-paragraph A herein, if unable to displace a junior Engineer in the terminal, the Engineer shall exercise his seniority to displace a junior Engineer within his Seniority District within forty-eight (48) hours, or he will be assigned. An

Engineer who is forced to exercise to a location that is more than 100 miles from the location from which he is displaced will be permitted a reasonable time not exceeding four (4) days to take the position.

- C. Permanent changes in rest days or home terminal shall entitle the affected Engineer to a displacement, which must be requested at the time the change is notified.

ARTICLE 11- GUARANTEED· EXTRA BOARD (GEB)

- A.
 - 1. Where Guaranteed Extra Boards (GEB) have been established the scheduled weekly rest day will commence at 00:01 hours, with the Engineer automatically marked back to the board at 00:01 the following day. Extra Board employees at their home terminal will not be called for duty that commences on or after 20:00 hours on the day preceding their rest day. Engineers may also elect to be automatically marked back to the working board at 06:00 a.m. (Q&A)
 - 2. Engineers who elect to mark up at 06:00 a.m. and do not get called for duty on that calendar day will not be entitled to guarantee pay for that day. The provisions of this paragraph will also apply to employees returning to the GEB under the provisions of Articles 18, 19 and 21 of this Agreement. (Q&A)
 - 3. If the Engineer is currently working or away from the home terminal at the time the scheduled rest day(s) are to begin, the rest day(s) will begin at the Engineer's tie-up time at his home terminal and run for twenty-four (24) or forty-eight (48) hours, whichever applies, with the Engineer automatically marked back to the bottom of the board at the expiration of that time. However, if the Engineer's tie-up time occurred between 00:01 and 06:01 on the scheduled rest day, the Engineer will automatically be marked back to the bottom of the board at 06:01 at the expiration of the twenty-four (24) hours or forty-eight (48) hours, whichever applies.
- B. For the purposes of prorating guarantees Engineers exercising seniority to the GEB part way through the week, for guarantee purposes only, will be shown on the GEB at 00:01 hours after the exercise of their seniority.
- C. GEB's will operate on a first-in, first-out basis, based on tie-up time. Where more than one Engineer is marked back up to the Board at the same time their previous tie up time will govern relative order.
- D. Unless otherwise provided for herein, Engineers assigned to GEB's will fill temporary vacancies and extra assignments at the location of the Board and at outlying points within the Seniority District, as necessary. In the event the GEB from which the assignment would normally be filled is exhausted, the assignment will be filled by:
 - 1. The senior available rested demoted Engineer within the terminal where the vacancy exists; if none,
 - 2. The first-out rested Engineer at the terminal who has marked up

to the Supplemental Extra Board as provided for by Article 15 Section 5; if none,

3. The first-out qualified rested Engineer on the nearest Extra Board(s) within the Seniority District via highway miles; if none,
 4. The first-out qualified and rested Engineer on the nearest Extra Board via highway miles on the adjacent Seniority District. Employees used from the adjacent Seniority District will only be used on a tour of duty basis.
- E. When Engineers mark back up for any reason they will be placed to the bottom of the GEB and the following will apply:
1. Employee's who are first-out on the GEB and book off for any reason or miss a call will be held off of the GEB for 12 hours, or until the trip missed returns back to the home terminal.

Note: The foregoing provisions with respect to being held off of the GEB will not apply to GEB's consisting of three (3) or less Engineers.
 2. Employees not first-out and who book off of the GEB will be held off the board for 8 hours.
 3. Employees held in accordance with paragraphs 1 and 2 may be called for duty by the Company in the event the working boards are exhausted.
 4. The provisions of sub-paragraph E.1. herein, will not apply to employees referred to in paragraphs D.2. and D.3. of this Article who are not physically first-out on the GEB at that location.
- F. The number of Engineers assigned to GEB's will be regulated at the start of each Change of Card day at 00:01 of each month by the Company and will be based on 20% of the regular assignments plus the average number of unassigned starts on a daily basis of the previous 28 days, multiplied by 1.2.
- G. Each Engineer assigned to a GEB with a 6/2-5/1 work rest schedule pursuant to Article 8, Section 1-D shall be guaranteed \$1,671.51 for each week. All compensation paid by the Company to Engineers while assigned to a GEB in a work week will be credited toward the guarantee excluding personal automobile mileage allowances, expenses, and payments that involve an alleged violation of this Agreement, such as runarounds, etc. Compensation received pursuant to Article 17 Section 1. D. and Article 17 Section 3 and Section 4 will be credited toward the guarantee.

One-sixth (1/6) of the weekly rate for the six (6) day work week and one-fifth (1/5th) of the weekly rate for the five (5) day work week shall be used to reduce the guarantee for any calendar day an Engineer is unavailable for service as outlined herein. The one-sixth (1/6th) weekly rate will be used for prorating the guarantee of an Engineer who is not assigned to the GEB for the full week (Monday through Sunday) Engineers not subject to the provisions of Paragraph E. 1. herein and who are not available for call for

any portion of the work week will have their guarantee for that work week reduced by an amount equal to 1/6th or 1/5th of the weekly guarantee for each 24-hour period, or portion thereof, they are not available for call.

- H. The rate established for extra boards under this Agreement shall be subject to general wage increases.
- I. GEB positions will not be advertised. Assignments shall be made on the basis of seniority.
- J. Extra board Engineers shall be called for service not less than two (2) hours prior to the time required to report for duty.
- K. The Company will provide the General Chairman ten days' advance notice for any new board it intends to establish.
- L. All guarantee compensation paid to extra Engineers shall be considered as service rendered for vacation pay and qualification days.
- M. Increases or decreases to the GEB can occur at any time; however, if the board is increased or decreased effective at any time other than on the Change of Card Day at 00:01 a.m., the Engineer(s) added will be paid a day's guarantee in the event no other service is performed on that calendar day. In the application of this paragraph Engineers cut off the GEB will be paid a day's guarantee in addition to all other earnings.
- N. Deadheading will be paid when it occurs as a result of force-assignment to the extra board of an employee holding an assignment at an outlying point.
- O. Except as provided for in Article 17 Section 3 when called for service extra board Engineers will not make less than 1/5 or 1/6 of the weekly rate as provided for in paragraph G herein.
- P. Engineers assigned to the GEB at their option may take payment in lieu of a personal leave day on holidays described in Article 9 B. (Q&A)

ARTICLE 12 - APPROVAL OF APPLICATION FOR EMPLOYMENT

- A. Applications for employment as Engineer will be approved or disapproved within sixty (60) days following the day the employee first becomes qualified for and performs service as an Engineer with the Company.
- B. An application that is rejected anytime within such period will result in termination of the employee's relationship with the Company.

ARTICLE 13 - RULES/RECERTIFICATION/INSTRUCTION CLASSES

- A. Engineers who are required to attend rules, Engineer re-certification, re-certification physical, or instruction classes on their own time shall be paid actual time, except that

no pay shall be required for Engineers attending remedial classes in lieu of or as part of the discipline process or as described below.

- B. Where training takes place away from the Engineer's home terminal, lodging will be provided, and the Engineer shall be entitled to allowances for meals and for travel between the home terminal and the course accommodation.
- C. Where an examination or test forms part of the training requirement, an employee is expected to meet the required standard on the first attempt. If an individual is unable to achieve the necessary standard, he will be offered additional training (without compensation) and will be afforded further opportunities to retake the examination, which must take place within ten (10) days of the first attempt and which will be on own time. An employee who fails to attain the required standard at the completion of this period, subject to an investigation, may be deemed to have disqualified himself for employment and will forfeit all seniority.
- D. Engineers who are required to attend rule, Engineer re-certification, or instruction classes during a normal tour of duty (i.e., combined with other service) will not be paid additional compensation.
- E. Regular Engineers who lose earnings as a result of being required to attend rule, Engineer re-certification, re-certification physical, or instruction classes shall be paid for the earnings lost.
- F. Extra Engineers required to attend rule, Engineer re-certification, re-certification physical, or instruction classes will be made whole for any loss of earnings and in no case will be paid less than actual time in attendance. Engineers required at the request of the Company to attend the classes referred to herein on their assigned rest days shall be paid for such service at the rate of time and one half.

ARTICLE 14 - ON AND OFF DUTY POINT

- A. Except as provided below, Engineers shall have a designated point for going on and off duty each day. The Company will consult with the BLET Local Chairman with jurisdiction on the respective territory prior to bulletining positions where it is proposed to change any on or off duty points.
- B. The starting time of an Engineer shall commence at the time he is required to report for duty, and his pay shall continue until the time he is tied up.
- C. When Engineers are relieved at points other than the point of going on duty, the Company shall provide transportation to the appropriate off duty point which shall be at a recognized location as designated by the Company.
- D. An Engineer operated to an away from home terminal that is not his normal away from home terminal location will be considered first-out upon completion of his legal rest. Upon the expiration of twelve hours, or sooner if available, an engineer used in this manner will only be called to deadhead or to work back to his home terminal. Upon the expiration of twelve hours, an engineer referred to herein that is not called as described shall be considered on pay until called for duty; and such time shall not be counted towards his hours of service. (Q & A)
- E. Except as otherwise agreed, changes will not be made in reporting and relief points

until suitable wash and locker room facilities have been provided. Wash, locker, toilet facilities and hot and cold running water will be provided for Engineers on all assignments.

- F. Engineers performing service in connection with the Engineering Department (work train) may be tied up at any point away from their home terminal on any of the six (6) working days of the week and will be allowed one (1) day's pay for each calendar day so held, Engineers used in this manner will be released over Sunday, but if held subject to a call, a day's pay will be allowed.
 - 1. Engineers called to perform service as outlined herein shall remain on such assignment for its duration for up to one (1) calendar week. If such individuals are not returned to their home terminal, they shall also be provided a meal allowance and lodging.
 - 2. Service as outlined herein shall be filled from the GEB.
- G. Engineers who are tied up at their away from home terminal may be called for a maximum of one (1) trip from that terminal that does not return to their home terminal. When so used, the Engineer's subsequent trip, whether working or deadhead, must return to the Engineer's home terminal.

ARTICLE 15 - CALLING FOR DUTY

Section 1 Calling

- A. An Engineer without a designated starting time shall be called not less than two (2) hours prior to the time required to report for duty, except in cases of emergency, such as floods, accidents, storms, etc., where Engineers shall be required to report as soon as possible.
- B. Engineers must designate a telephone number at which they can be reached for the purpose of being called.

Section 2 Used out of Order

- A. GEB Engineers who are available and not called in the correct order ("runaround") in accordance with the procedures in this Agreement, will be paid one half (1/2) of the basic day payment in addition to any other GEB earnings.
- B. There shall be no "chain" type payments and not more than one runaround payment for any particular assignment.
- C. Regular assigned Engineers not called for runs, through no fault of their own, will be paid for all time lost. If used on other assignments, money earned will be counted in computing pay for time lost (make whole). This paragraph does not constitute a guarantee.
- D. The incidence of runaround claims will be reviewed in the conferences established pursuant to Article 28 in this Agreement to identify and correct any systematic problems.
- E. An engineer that operates to an away from home terminal that is the source of supply

point for engineers at that location and subsequently operates a train out of that away from home terminal enroute to his home terminal will not invoke the runaround provisions outlined in Article 15, Section 2, paragraph A herein for any engineers home terminated at that location. (Q&A)

- F. Trains that are tied up on line due to being overtaken by the Hours of Service Law may be re-crewed with a qualified employee from the nearest source of supply point via highway miles without penalty to the Company.

Section 3 Called and Released

When an Engineer is called, reports for duty and performs no service, and is then released prior to the expiration of ten (10) hours, he shall be allowed a minimum of one-half a day or actual time consumed, whichever is greater and returned to the bottom of the board. If the call and release service is the only service performed on that calendar day then a basic day's pay will be allowed. (Q&A)

Section 4 Familiarization of Territory

- A. When Engineers are required to run over any portion of the road with which they are unacquainted an Engineer qualified on that territory will be furnished as a pilot.
- B. When foreign line trains are detoured over any portion of the road, and the engineer of such detoured train is not qualified to operate on the territory, an engineer qualified on that territory will be furnished as a pilot.
- C. Employees from other crafts who are certified as Locomotive Engineers may also be used to pilot trains when Locomotive Engineers are not available for this purpose.
- D. Engineers acting as pilots will be paid a minimum of a basic day.

Section 5 Supplemental Boards

Engineers desiring to make themselves available for service on the Supplemental Board on their scheduled rest day(s) shall notify Crew management in the proper form prior to or upon tie-up on the last day of their regularly assigned work week. Engineers submitting a request to be placed on the Supplemental Board will be called in seniority order.

ARTICLE 16 – MEAL PERIODS

- A. An Engineer whose assignment is bulletined to work primarily within a terminal will have, between the fifth and the seventh hour, twenty (20) uninterrupted minutes in which to eat. However, in granting Engineers time for their meal, it is with the understanding that such must not cause unnecessary interference or delay with the performance of their work or the work of other crews.
- B. Disputes arising out of the interpretation or application of this Article will not be used as the basis for time claims, but will be referred to the Committee established pursuant to Article 28 for final and binding disposition.

ARTICLE 17 - EXPENSES

Section 1 Held Away From Home Terminal

- A. A meal allowance of \$12.00 and will be payable after an engineer is held four (4) hours or more and thereafter after each additional eight (8) hours at the away from home terminal.
- B. The Company will provide suitable lodging and will be responsible for the payment of room and taxes. To be considered "suitable," at a minimum, the lodging accommodation shall be:
- Reputable and clean;
 - Single occupancy rooms with comfortable beds with innerspring or comparable mattresses, pillows, private lavatory and bath facilities with hot and cold running water in the room;
 - Blankets, clean linen (sheets and pillow cases), soap and towels will be supplied each occupant;
 - Rooms will be cleaned and bed linen changed after each occupancy by personnel other than the occupant;
 - Rooms will be cooled or heated when climatic conditions normally require such cooling or heating.
- C. When selecting regular accommodation providers the Company will consider the proximity of restaurant facilities that are open on a 24 four hour basis. The Superintendent will consult with the respective Local Chairman of the Brotherhood of Locomotive Engineers and Trainmen regarding changes to regular accommodation providers. If the event the parties are unable to agree to any proposed accommodation changes, the matter will be forwarded to the General Manager and the General Chairman for resolution.
- D. Except as provided for herein, when an Engineer is tied up at other than his home terminal, upon the expiration of sixteen (16) hours away from home, the individual shall be considered on pay, until called for duty, except that such time shall not be counted towards hours of service, or overtime. Should an Engineer be called for service or ordered to deadhead after such pay begins, the held away from home terminal pay ceases at the time the service or deadhead commences.
- E. This provision shall not apply to regular assignments at outlying points or to Engineers temporarily transferred or assigned to a new home terminal.
- F. The current practice of allowing Engineers to reverse their lodging will remain in effect.

Section 2 Transportation Expense

When an Engineer is required to work away from his regular assigned location, the Company will either provide transportation or reimburse the Engineer for necessary costs of transportation, which shall be at the standard driving allowance allowed by the IRS. No reimbursement will be made where the Company provides transportation. Upon approval of the Company, an Engineer will have the option of using his personal automobile in lieu of

furnished transportation. An Engineer who uses his personal automobile in lieu of furnished transportation, and the distance traveled from his residence to the location required to report for work is in excess of 80 miles for the round trip, will be paid an allowance of one hour based upon the straight time hourly rate of pay in addition to the IRS standard driving allowance.

Section 3 Deadheading

Deadheading shall be paid either separate from or combined with service, in the manner least costly to the company. Where deadheading is paid separately from service, unless otherwise provided, the Engineer shall be paid a minimum of one-half day at the basic daily rate or actual time consumed, whichever is greater. If separate service deadhead is the only service performed on that calendar day a basic day's pay will be allowed for the separate service deadhead.

Section 4 Aggregate Service

Engineers may be released four (4) hours or more. If so released the Engineer will be considered on pay until called to resume duty and such release time shall not be counted towards hours of service or overtime.

ARTICLE 18 - PERSONAL LEAVE DAYS (PLD's)

- A. Effective January 1, 2006 PLD's shall be paid at nine (9) hours at the straight time rate, except PLD's taken on the holidays designated in Article 9 B will be paid at ten (10) hours at the straight time hourly rate of pay. Effective January 1, 2007 PLD's shall be paid at ten (10) hours at the straight time rate.

Any Engineer hired after the ratification of this Agreement shall receive three (3) PLD's. When any Engineer accumulates a total of 60 months of cumulative compensated service in any service (i.e. Engineer, Trainman, and/or Non-Ops) then the Engineer will qualify for the eleven (11) personal leave days provided for in Article 18. Notwithstanding this clause, no Employee promoted to engine service after the ratification of the Agreement shall lose PLD's to which he/she is already entitled.

- B. Subject to scheduling by the BLET Local Chairman or his designate, one (1) personal leave day will be granted on any day to employees subject to the jurisdiction of each GEB under the following conditions:
- (i) The PLD's that are subject to assignment by the BLET Local Chairman will be assigned on a first come, first served basis.
 - (ii) The BLET Local Chairman or his designated representative must give the crew callers' office at least forty-eight (48) hours' notice of the day to be observed.
 - (iii) Once the PLD is assigned by the BLET Local Chairman, it will not be changed unless requested by the BLET Local Chairman.
 - (iv) Subject to the needs of service, an Engineer scheduled for such designated PLD may lay off up to twenty-four (24) hours in advance of the day at the home terminal in order to avoid being at the away-from-home-

terminal when the PLD begins.

- (v) At locations where two or more extra boards exist and are subsequently consolidated, the BLET Local Chairman shall schedule two PLD's in the manner provided above.
- C. Other PLD's provided for in Paragraph A. but not taken under Paragraph B. herein, upon forty-eight (48) hours' advance notice from the employee, will be scheduled with the approval of the Crew Management Center. PLD's requested and approved as provided for herein must be taken and payment will be made on the following payroll period.
- D. In situations where the number of applicants seeking PLD's exceeds the number of Engineers that can be released, the Company will approve applications on the basis of the order they were received except no application may be submitted more than six months in advance. In the event more than one application is received on the same day the most senior Engineer will have preference.
- E. Engineers who leave the service of the company during the year will have their PLD allocation reduced on a pro-rata basis to allow one PLD per each full month worked.
- F. Any PLD's provided for herein that are requested but denied by the Company and not subsequently rescheduled during the calendar year or the first quarter of the following calendar year shall be paid at the rate specified herein.

ARTICLE 19 – BEREAVEMENT LEAVE

- A. Bereavement leave of three (3) consecutive working days will be allowed in case of death of an Engineer's "natural" or "step" brother, sister, parent, child, spouse or spouse's parent. Engineer's involved will make provision for taking leave with their supervising officials in the usual manner.
- B. The three (3) days may be taken at any time beginning with the date of death and ending seven (7) days after the funeral.

ARTICLE 20 - HOLIDAYS

Engineers who are available the immediate two (2) days preceding and the immediate two (2) days following a holiday identified in Article 9, paragraph B, and who work on a holiday will be paid a holiday rate of pay of \$47.28 per hour for the first ten (10) hours worked in recognition for service performed on the holiday. All time in excess of ten (10) hours worked on the holiday will be time and one-half based on the rate outlined herein. This holiday rate is subject to the GWI's contained in Article 5.

ARTICLE 21 – VACATION

This article is not intended to restrict any of the existing rights of the Company except as specifically provided herein.

Section 1 Entitlements

Each engineer subject to the scope of this Agreement and having continuous service and who has rendered service as identified herein, will be eligible for the following annual vacation entitlement allotted in order of seniority to be taken between January 1 and December 31:

A. A qualifying Engineer shall be entitled to paid vacation, subject to the following:

Years of Service	Amount of Vacation	Explanation
New employees, if during the preceding calendar year has rendered service amounting to 160 basic days or equivalent hours paid	One (1) Week	(7) calendar days with 6 day's paid, or pay in lieu thereof, if on a 6 day assignment. If a 5 day assignment is established payment will be 5 day's pay.
After 2 or more years of cumulative compensated service	Two (2) weeks	(14) calendar days with 12 day's paid, or pay in lieu thereof. If a 5 day assignment is established payment will be 10 day's pay.
After 8 or more years of cumulative compensated service	Three (3) weeks	(21) calendar days with 18 day's paid, or pay in lieu thereof. If a 5 day assignment is established payment will be 15 day's pay.
After 17 or more years of cumulative compensated service	Four (4) weeks	(28) calendar days with 24 day's paid, or pay in lieu thereof. If a 5 day assignment is established payment will be 20 day's pay.
After 25 or more years of cumulative compensated service	Five (5) weeks	(35) calendar days with 30 day's paid, or pay in lieu thereof. If a 5 day assignment is established payment will be 25 day's pay.

- B. Vacation shall be taken between January 1 and December 31; however, it is recognized that the exigencies of the service create practical difficulties in providing vacations in all instances. Due regard, consistent with requirements of the service, shall be given to the preference of the senior engineer when granting vacations. Representatives of the Company and of the BLET will cooperate in arranging vacation periods, administering vacations and releasing engineers when requirements of the service will permit. It is understood and agreed that the Company will pay vacationing engineers their vacation allowances as soon as possible after the vacation period, but the parties recognize that there may be some delay in such payments. It is understood that in any event such engineer will be paid his vacation allowance no later than the second succeeding payroll period following the date claim for vacation allowance is filed.
- C. An Engineer receiving a vacation, or pay in lieu thereof, shall be paid for each week of such vacation at 1/52 of the compensation earned by such employee during the calendar year preceding the year in which the vacation is taken, but in no event shall such pay for each week of vacation be less than five (5) minimum basic days' pay.
- D. Engineers shall perform one hundred sixty (160) days or equivalent hours of cumulative compensated service in any calendar year to qualify for vacation in the ensuing year as provided under paragraph A above. Calendar days on which an Engineer is available for service (within the meaning of Articles 11, 18, 31 32 and 33) and on which he performs no service, shall be included in the determination of qualification for vacation; also, calendar days not to exceed 45 days on which an Engineer is absent and unable to perform service because of illness or injury shall be included.
- E. Single day vacation days pursuant to Article 21 Section 3 paragraph C. shall be paid at the rate of ten (10) hours at the basic rate of pay.
- F. When submitting vacation requests, Engineers should include at least three (3) choices in case of duplicate requests. When requesting single day vacation days, requests will be granted in the same manner as prescribed by Article 18 Paragraphs B and C.
- G. If an Engineer's employment status is terminated for any reason, he shall at the time of termination be granted full vacation pay for vacation earned in the preceding year not yet granted, and vacation pay for the succeeding year if the Engineer has qualified therefore under paragraph A. If an Engineer thus entitled to vacation or vacation pay shall die, the vacation pay earned and not received shall be paid to such beneficiary as the Engineer may have designated, or in the absence of such designation, the surviving spouse, the Engineer's children, or his estate, in that order.
- H. Vacations, or allowances therefore, under two (2) or more schedules held by different organizations on the same Company shall not be combined to create a vacation of more than the maximum number of days provided for in any one of such schedules.
- I. Time off on account of vacation will not affect or offset guarantees.
- J. The absence of an Engineer on vacation with pay, as provided in this Agreement, will not be considered as a vacancy, temporary, or otherwise, in applying the bulletin rules of this Agreement.

- K. Vacations shall not be accumulated or carried over from one vacation year to another.
- (i) In the event an Engineer could potentially lose time at the end of his pending vacation period he may request approval of the Company that his vacation could be reduced in one year and adjusted in the next.
 - (ii) After the vacation begins layover days during the vacation period shall be counted as a part of the vacation.
- L. The following will also be used to determine eligibility for vacation:
- Used out of order – ½ day credit;
 - Separate Service Deadheading – one (1) day credit;
 - An Engineer paid ten (10) hours under the held-away-from-home terminal rule will be credited with one 1 basic day.

Section 2 Brotherhood of Locomotive Engineers-and Trainmen - Union Officials

Vacation qualification criteria in effect on the date of this Agreement shall continue to apply to Engineers who hold positions as General Chairmen, Local Chairmen, and State Legislative Directors (“local officials for the Brotherhood of Locomotive Engineers and Trainmen”). It is further understood that by providing this exclusion it is not intended that the total number of such officials covered be expanded.

Section 3 General

- A. Calendar days on which an Engineer is compensated while attending training and rules classes at the direction of the Company will be included in the determination of qualification for vacation.
- B. During a calendar year in which an Engineer’s vacation entitlement will increase on the anniversary date, such Engineer shall be permitted to schedule the additional vacation time to which entitled on the anniversary date at any time during that calendar year.
- C. An Engineer may take up to one (1) week (7 days) of his annual vacation in single day increments, provided, however, that such employee shall be automatically marked up for service upon the expiration of any single day vacation.
- D. Each day worked on a position not covered by this Agreement shall count as a basic day for vacation qualification purposes.
- E. Calendar days on which an Engineer assigned to an extra list is available for service and on which days he performs no service, will be included in the determination of qualification for vacation; also, calendar days, not in excess of forty-five (45), on which an Engineer is absent from and unable to perform service because of sickness or injury received on duty will be included.
- F. All guarantee compensation paid to extra Engineers shall be considered as service for vacation pay and qualification days.

- G. Where an Engineer is discharged from service and subsequently reinstated without loss of seniority and/or benefits, service performed prior to discharge and subsequent to reinstatement shall be included in the determination of qualification for vacation during the following year. Engineer's restored to service will be credited for all time paid for entitlement purposes.
- H. In instances where employee's who have become members of the Armed Forces of the United States return to the service of the Company in accordance with the Veterans Re-Employment Rights Act (8 USC Title 38 §2021-2027), as amended from time to time, time spent by such employee's in the Armed Forces subsequent to their employment by the Company will be credited as qualifying service in determining the length of vacations for which they may qualify upon their return to the service of the Company.

ARTICLE 22 - BENEFITS

Section 1 Health & Welfare

Employees coming under the scope of this Agreement and their dependents, if eligible, will be subject to the Railroad Employees National Health and Welfare Plan, the Railroad Employees National Early Retirement Major Medical Benefit Plan, the Railroad Employees National Dental Plan and the Railroad Employees National Vision Plan, as negotiated nationally and subsequently amended, including employee cost-sharing provisions. Retired, disabled and inactive employees will remain in their existing coverage, if any.

Upon the effective date of this Agreement, cost sharing will be as negotiated nationally between the National Carrier's Conference Committee and the BLET, including subsequent amendments.

Section 2 Short Term Disability

Employees subject to this agreement shall be eligible for participation in the CN Income Disability Plan (the Plan) which provides income to covered employees during periods of covered disability, not to exceed 52 weeks. The Plan covers a disability caused by injury or sickness, whether on railroad duty or not, which prevents the employee from actively performing the normal duties of his or her job. Benefits begin on the 15th day of continuous absence while under the care of a licensed physician for such a covered disability. Employees must have rendered compensated service or received vacation pay in a BLET craft for at least seven days in the thirty calendar days immediately preceding the covered disability to be eligible to receive benefits. The Plan pays \$79.43 per day (increased to \$80.86 effective August 1, 2014; \$82.29 per day effective August 1, 2015) to eligible employees. This amount is not reduced by monies received under the Railroad Unemployment Insurance Act. For those who qualify, benefits from the plan are paid at least every two weeks. In all cases, plan benefits shall be paid in accordance with the terms and provisions of the Plan, which are incorporated herein by reference. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this agreement, the terms and provisions of the Plan shall control. The Company retains the right to modify the plan document from time to time.

Section 3 Life Insurance

In addition to any Life Insurance benefits available to Employees pursuant to Article 22 Section 1, Employees shall be provided life insurance coverage of \$50,000, at no charge. Coverage will be in force during periods of active employment and for up to 12 months during periods of total disability. If benefits end due to the employee ceasing to actively work or after 12 months of total disability, an option to convert to an individual policy at the employee's expense will be made available and communicated to the Employee upon expiration of benefits otherwise available. Employees requiring assistance concerning the foregoing may contact a Benefits Representative for further information.

Section 4 Other Insurance

Accidental Death & Dismemberment Insurance – Separate and distinct from Life Insurance coverage provided in Article 22 Section 3, and in addition to any Accidental Death Insurance benefits available to Employees under Article 21 Section 1, Employees shall be provided accidental death and dismemberment (AD&D) coverage of up to \$50,000, at no charge. An Employee's eligibility to this benefit shall cease at the end of the month during which the Employee ceases to perform active service. Employees requiring assistance concerning the foregoing may contact a Benefits Representative for further information.

Section 5 Off Track Vehicle Accident Benefits

The National Off Track Vehicle Accident Benefits, as amended December 16, 2003, will be applicable to each employee. Any changes applicable to the National Off Track Vehicle Accident Benefits will also apply to Engineers covered herein.

Section 6 Stock Purchase Plan

The Company will maintain for the benefit of Engineers covered by this Agreement a stock purchase plan, which may be changed from time to time provided such changes are applicable to Company employees generally.

Section 7 Employee Assistance Program

The Company will maintain for the benefit of Engineers covered by this Agreement an Employee Assistance Program, which may be changed from time to time provided such changes are applicable to Company employees generally.

Section 8 401K Plan

- A. Effective the date of this Agreement, the company will maintain a 401 (k) plan for Engineers covered by this Agreement. Under the plan, for the first four percent (4%) of an employee's salary contributed, the company will contribute \$.25 for each \$1.00 contributed by the employee. The Engineer may contribute an amount above 4%, up to the maximum legal amount with no company participation.
- B. The company will be responsible for all costs of establishing the plan, including the making of payroll deductions and payments of withheld wages to the trustee. The employee will be responsible for all costs of services in connection with the operation of the 401 (k) plans.

ARTICLE 23 - PHYSICAL EXAMINATIONS

Engineers covered by this Agreement may be required to take medical examinations by the Company's physician at the Company's expense. Examinations will take place on the individual's own time. If the medical examination must take place outside the Engineer's terminal, the individual will be allowed payment for meals and travel.

ARTICLE 24 - MEDICAL DISQUALIFICATIONS

- A. If an Engineer is found to be medically disqualified by the Company's physician and the Engineer is of the opinion that his condition does not justify removal from the service or restriction of his rights to service, appeal will be made to the designated officer of the Company for a joint medical board to be established.
- B. The Engineer involved, or his representative will select a physician to represent him and the Company will select a physician to represent it (who may be the original examining physician) in conducting a further medical examination. If the two physicians thus selected agree, the conclusion reached by them as to the individual's medical condition will be final.
- C. If the two physicians selected do not agree as to the medical condition of such individual, they will select a third physician to be agreed upon by them, who shall be a practitioner of recognized standing in the medical profession and a specialist in the disease or ailment from which the individual is alleged to be suffering. The three physicians thus selected will examine the Engineer and render a report with reasonable promptness setting forth his physical condition and their opinion as to his fitness to continue service in his regular employment, which shall be accepted as final. Should the decision be adverse to the individual, and it later appears through medical findings that his condition has improved, a re-examination by the Company's physician will be arranged after a reasonable interval upon the request of the Engineer or the Union.
- D. The Company and the Engineer will each pay for the costs of their chosen physician and share equally in paying the costs of the third physician.
- E. If an Engineer has been out of active service for more than ninety (90) days, before resuming service he will be required to pass a physical examination (including drug and alcohol testing) before being permitted to return to duty.
- F. If for any other reason related to Company service, an Engineer is required to take a medical examination the expense of that examination shall be borne by the Company.

ARTICLE 25 - PAYDAY

Engineers shall be paid on a bi-weekly basis by direct deposit. Adjustments to an Engineer's pay will be processed not later than the pay period following the reported time.

ARTICLE 26- PAYROLL AND DEDUCTIONS

- A. Payroll payments will be made only to a direct checking and/or savings deposit account as specified by the Engineer. Such employees will have sixty (60) days to establish a direct deposit account at a financial institution recognized by the Company as able to

accept direct deposits.

- B. Payroll deductions are available to all permanent full-time Engineers who execute a suitable written deduction authorization for the following purposes:
- Periodic Union dues, agency fees and assessments included in, monthly dues (not including fines and penalties) payable to the Union.
 - Other purposes as from time to time designated by the Company.

ARTICLE 27 - UNION SHOP AGREEMENT

- A. Subject to the terms and conditions below, Engineers of the Company subject to this Agreement shall, as a condition of their continued employment under this Agreement, become members of the BLET within sixty (60) calendar days of the date they first perform compensated service under this Agreement, and shall maintain membership in the BLET while subject to this Agreement; provided, however, that this requirement for membership in the BLET shall not be applicable to:
1. Those to whom membership is not available upon the same terms and conditions as are generally applicable to any other member;
 2. Those to whom membership has been denied or terminated for any reason other than the failure of the Engineer to tender the periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in the Union;
 3. Those who are members of another labor organization as permitted by Section 2, Eleventh (c) of the Railway Labor Act, as amended; or,
 4. Those who elect not to join the Union, in which case they shall be required to remit to the Union a monthly agency fee which shall not be in excess of the standard monthly dues required of members.
- B. Engineers, who are assigned or transferred for a period of one (1) calendar month or move to employment not covered by such Agreement, or who are on leave of absence for a period of one (1) calendar month or more, may not be required to maintain membership as provided in this Rule so long as they remain in such other employment, or on such leave of absence, but they may do so at their option. If and when such Engineers return to service covered by this Agreement, they shall comply with the provisions of this Rule within one (1) calendar month of such return to service.
- C. Every Engineer required by the provisions of this Rule to become and remain a member of the BLET shall be considered by the Company to be a member of the BLET unless the Company is advised to the contrary in writing by the General Chairman. The General Chairman shall be responsible for initiating action to enforce the terms of this Rule.
- D. The General Chairman shall furnish to the Company, in writing, the name and roster number of each Engineer whose seniority and employment the BLET requests be terminated by reason of failure to comply with the membership requirements of this Rule.
- E. In the event the Company wishes to dispute the correctness of the BLET's position, it shall so notify the General Chairman within ten (10) calendar days of receipt of the

notice from the latter, stating the reasons therefore. If, (1) no such exception is taken by the Company, or (2) the BLET does not withdraw its request within ten (10) calendar days from the date of the notice of exception, the Company shall transmit to the Engineer at his last known address, through certified United States Mail, return receipt requested, a notice of termination and a copy of the BLET's request, a copy of which shall be furnished to the General Chairman.

F. Dispute Resolution Process.

1. Any Engineer so notified who disputes the charge that he has failed to comply with union membership requirements will, within ten (10) calendar days from the date of such notice, request the Company in writing to accord him a formal hearing. Such a request will be honored by the Company and a date set for the formal hearing as soon as possible, but within ten (10) calendar days of the date of the receipt of the request. A copy of the notice of such formal hearing will be given to the General Chairman. The receipt by the Company of a request for a hearing will stay action on the request by the General Chairman for termination of the Engineer's employment until the formal hearing is held and the final decision is rendered. If the Engineer concerned fails to request a formal hearing as provided for herein, the Company will proceed to terminate his employment at the end of thirty (30) calendar days from receipt of the request from the General Chairman, unless the Company and the BLET agree otherwise in writing.
2. The Company will determine on the basis of evidence produced at the formal hearing whether or not the Engineer has complied with the union membership requirements, and will render a decision accordingly. Such a decision will be rendered within ten (10) calendar days of the hearing date, and the Engineer and the General Chairman will be promptly notified. A transcript of the hearing will be furnished to the General Chairman. If the decision is that the Engineer has not complied with union membership requirements, his employment as an Engineer will be terminated within ten (10) calendar days of the date of the decision, unless the Company and the BLET agree otherwise in writing.
3. If the decision of the Company is not satisfactory to the Engineer or to the BLET, it may be appealed in writing directly to the highest officer of the Company designated to handle appeals. Such appeal must be received within ten (10) calendar days of the date of decision appealed from, and the decision on such an appeal will be rendered within twenty (20) calendar days of the date the appeal is received. The decision by the highest appeals officer of the Company designated to handle appeals will be final and binding unless, within thirty (30) calendar days thereafter, the Company is notified in writing that the decision is unsatisfactory, and in such event, the dispute may be submitted to a tribunal having jurisdiction within six months of the date of such decision. A representative of the General Chairman will have the right to be present at and participate in any hearing which involves the BLET.

- G. The BLET shall indemnify and hold harmless the Company against any and all claims, demands, suits or other forms of liability that arise out of or by reason of any action taken or not taken by the Company pursuant to this Article.

ARTICLE 28 - HANDLING OF CLAIMS AND GRIEVANCES

Section 1 Representation

- A. The Brotherhood of Locomotive Engineers and Trainmen shall have the exclusive right to represent all engine service employees (other than those who are members of a craft represented exclusively by another labor organization) in company level grievance, claim and disciplinary proceedings on those Companies on which the BLET is the lawfully recognized or certified collective bargaining representative for that craft.
- B. The General Committee of Adjustment, Brotherhood of Locomotive Engineers and Trainmen, will represent all locomotive Engineers in the making of contracts, rates, rules, working agreements and interpretations thereof.
- C. It is agreed that the dividing line of jurisdiction to control craft conditions is at the point of entry into the one craft or the other.
- D. It is agreed that, absent the concurrence of the General Chairman of the BLET, the Company will not deal with a representative of any other organization concerning an interpretation or change of any rule, benefit or working condition subject of this Agreement.
- E. All disputes involving Locomotive Engineers will be handled in accordance with the provisions of this Agreement as interpreted by the BLET General Committee and the Company.
- F. In matters pertaining to discipline, or other questions not affecting changes in Engineers' contract, the officials of the Company reserve the right to meet any of their employees either individually or collectively.

Section 2 Handling of Claims and or Grievances

- A. All claims or grievances must be presented electronically via the electronic system(s) as designated by the Company, by the Engineer involved, or on behalf of the Engineer, by his representative, or designee, (claims must be presented under the Engineer's PIN) to the officer of the Company authorized to receive same within sixty (60) days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, the Company shall, within sixty (60) days from the date it is received, notify the Engineer or his Local Chairman in writing of the reason(s) for such disallowance. Should the Company fail to issue timely declination of the claim or grievance, it will be allowed as entered, however such allowance will not constitute a precedent for other similar claims or grievances.
- B. Appeals of all claims and grievances, including those involving discipline, shall be presented and handled via the electronic claim handling system provided by the Company.

In the event the claim or grievance is disallowed, the BLET Local Chairman may appeal the matter to the Superintendent within sixty (60) days from the date of declination. If the claim or grievance is not appealed, the disallowance shall

stand, however the disallowance shall not constitute a precedent for other similar claims and grievances.

In the event the appeal is disallowed, the Superintendent shall, within sixty (60) days from the date it is received, notify the Local Chairman in writing of the reason(s) for such disallowance.

Should the Superintendent fail to issue timely notification of the declination of the appeal, the claim or grievance will be allowed as entered, however such allowance will not constitute a precedent for other similar claims or grievances.

- C. Claims declined under Section 2 (B) of this Article may be appealed by the BLET General Chairman to the Company's director Labor Relations, or designate, within sixty (60) days of the disallowance. The Director, or his designate, shall, within sixty (60) days from the receipt of the appeal, notify the General Chairman of the allowance or declination of the claim. Should the Director or designated fail to timely notify the General Chairman of such declination, the claim will be allowed as entered, however such allowance shall not constitute a precedent for other similar claims.
- D. Claims and grievances disallowed by the Company pursuant to Section 2 (C) will be barred from further handling unless, not less than sixty (60) days prior to the next scheduled meeting date of the Labor/Management Resolution Committee, the General Chairman lists the unresolved claim or grievance to the Committee.
- E. The Labor / Management Resolution Committee will meet semi-annually as mutually agreed, to review and resolve outstanding Engineer time claims and grievances.
- F. The Committee will consider the entire record of each dispute submitted to it. Decisions made pursuant to this process will be written by the Company within sixty (60) days of the meeting date and will represent the final and binding decision on such grievances. The handling of claims and grievances by the Committee will constitute any "conference" prerequisite to submission of disputes to a public law board tribunal established pursuant to law or by agreement.
- G. In the event that a majority of the Committee does not agree on the resolution of a particular grievance, either party may initiate proceedings before a tribunal established pursuant to law or by agreement within six months of the Committee's written decision having been rendered.
- H. Nothing in this Section shall preclude an agreement by the parties to conference claims or grievances independent of the procedures set forth in Section 2 (D) and (E) of the Article. Such conference as may be agreed to will constitute a "conference" prerequisite to the submission of disputes involving claims and/or grievances to a tribunal established pursuant to law or by agreement for the final adjudication of such disputes.

Section 3 Handling of Discipline Appeals

- A. Discipline decisions reached by the Company pursuant to Article 29 (E) and (F) of this Agreement may be adjusted between the BLET Local Chairman and the Superintendent, or designate, within 60 days of the issuance of the decision.
- B. Should the matter fail resolution by the Local Chairman and the Superintendent or designate, the BLET General Chairman may appeal, in writing, to the Director Labor

Relations, or designate, within 180 days of the date the discipline was assessed, or the appeal will be barred. The Director Labor Relations, or designate, shall notify the General Chairman of the allowance or declination of the appeal within 60 days of the receipt of the appeal. Should the Director Labor Relations fail to timely notify the General Chairman of the declination of the appeal, the claim will be allowed as entered.

- C. The BLET General Chairman will list unresolved discipline appeals with the Director Labor Relations not less than 30 days prior to the next scheduled meeting of the Labor/Management Committee for handling pursuant to Section 2 (D) and (E) of this Article.
- D. Nothing in this Section shall preclude an agreement by the parties to conference discipline appeals independent of the procedures set forth in this Article. Such conference as may be agreed to will constitute any "conference" prerequisite to submission of unresolved disputes involving discipline appeals to a tribunal established by law or by agreement for the final adjudication of such disputes.

ARTICLE 29 - INVESTIGATIONS AND DISCIPLINE

- A. An Engineer shall not be withheld from service pending hearing except in cases that are serious, such as but not limited to, theft, altercation, Rule "G", insubordination, major accidents and/or other major offenses whereby the employee's retention in service could be hazardous.
- B. No Engineer shall be disciplined without a fair hearing (investigation) by an officer of the Company. An engineer shall be apprised of the charge(s) against him not later than ten (10) days from the date of the incident-giving rise to the charge(s). He shall have reasonable opportunity to secure the presence of necessary witnesses, and he shall have the right to be represented by an accredited representative or member of the Brotherhood of Locomotive Engineers and Trainmen.
- C. When not inconvenient to the Company and to other employees, investigations will be held at such times, if possible, as to avoid holding Engineers out of service to be present at the investigation. Postponements will be granted to either party upon a reasonable showing of a need.
- D. Investigations ordinarily will be held within fifteen days of the time the carrier has sufficient knowledge of the incident to be investigated to conduct an investigation. Engineers will be advised of decision in writing within fifteen days after the investigation.
- E. An engineer and/or the engineer's representative shall have the option, with the Company's concurrence and prior to the hearing, to discuss the charge with the appropriate Company Officer.
 - 1. If the disposition of the charges is made on the basis of the employee's acknowledgement of responsibility, the disposition shall be reduced to writing and signed by the engineer and the official involved and shall incorporate a waiver of hearing and shall specify the maximum discipline, which may be imposed for the engineer's acceptance of responsibility.

2. No minutes or other record shall be made of the discussion, and, if the parties are unable to reach an agreed upon disposition on this basis, no reference shall be made to these discussions by either of the parties in any subsequent handling of the charges under the discipline procedure.
- F. A true and correct transcript will be taken of all hearings or investigations held under this Article and should the Engineer involved be assessed discipline, he and his representative will be furnished a copy of the transcript along with the discipline decision letter. At an investigation, an Engineer or his representative shall have the right to record, at his expense, the investigation proceedings on a recording device. This provision will not be used to delay or postpone the investigation proceedings.
- G. Should any Engineer investigated under this Article consider that he has been unjustly Dealt with, he shall have the right to appeal as provided in Article 28 herein. In case of dismissal or suspension which is later found to be unjust, the Engineer will be reinstated with seniority rights unimpaired and paid for all time lost.
- H. Letters of caution or warning are not discipline. Should the Engineer dispute the validity of the warning, he has the right to request a fair hearing as provided in Paragraph B of this Article provided the request is made within fifteen (15) days of the date of the warning letter. If the hearing reveals that the letter is unjust, it shall be removed from his record. If the Company decides the letter was warranted, it will apprise the Engineer of the decision with fifteen (15) days of the hearing. If the Engineer is dissatisfied with the decision, he shall have the right to appeal as provided in Article 28 herein.

ARTICLE 30 - TIME OFF FOR UNION BUSINESS

- A. An Engineer who is elected or appointed to a full time position with the Brotherhood of Locomotive Engineers and Trainmen shall be granted an unpaid leave of absence for the duration of time he holds such position.
- B. Engineers serving on committees (inclusive of those serving on safety committees as representatives of the Brotherhood of Locomotive Engineers and Trainmen) will, upon sufficient notice, be granted time off without pay, consistent with the needs of service, to perform committee work. Engineer's off as outlined herein will not be subject to the provisions of Article 11 Paragraph E. 1.

ARTICLE 31 - ATTENDING COURT AND INQUESTS

Engineers who are required to attend court or inquests on behalf of the Company shall be made whole for lost wages, or be paid for actual time in attendance.

ARTICLE 32 - LEAVE OF ABSENCE

Section 1 General

- A. Engineers shall not be expected to work when sick, but in case of being compelled to lay off on account of sickness of themselves, or family, should in some manner notify the proper authority of their inability to protect the service

requirements of the Company.

- B. When an Engineer on a regularly assigned run lays off for any cause, he must be available for duty at least three hours before the bulletined spread time or starting time of the assignment.
- C. The General Chairman will be furnished a copy of each leave of absence granted to Engineers.
- D. Engineers may return to work prior to the expiration of a leave of absence when there is no other prohibition.
- E. Engineers who do not return to service at the expiration, of their leave of absence, and who have not submitted application for an extension thereof, will be notified that they are absent without permission and such notice will instruct them to return to service or to satisfactorily account for their absence within 15 days or forfeit seniority as Engineer. Engineers who forfeit their seniority as a result of the provisions outlined herein will have their employment relationship with the Company terminated. A copy of the notice to the absent Engineer will be furnished to the Local Chairman and General Chairman of the Brotherhood of Locomotive Engineers and Trainmen on the territory concerned. It is understood that this Agreement does not prejudice the provisions of schedule agreements relating to protests against changes in seniority rosters.

Section 2 Less Than 1 Year

Engineers may, upon written application to their employing officer, be granted leave of absence for a period or periods not to exceed one year. Extensions to the one year period may be granted when agreed to by the Company and the General Chairman of the Brotherhood of Locomotive Engineers and Trainmen.

Section 3 Illness / Injury

- A. In the event of absence occasioned by illness or injury, Engineers will be granted leave of absence automatically upon presentation of written application accompanied by appropriate substantiating medical evidence. Such automatic leaves will not be for a period of more than one year, and extensions thereof will require a new application and further substantiating medical evidence. In case the employing officer and/or the General Chairman are not satisfied that the illness or injury is bona fide, additional evidence may be required to establish same to their satisfaction.
- B. Provided return to service is approved by Chief Medical Officer, Engineers who have been injured on duty shall be permitted to return to work without signing a release.

Section 4 Official / Military

Subject to the requirements set forth in Article 7, Section 10 of the Agreement, Engineers accepting official positions with the Company or the Brotherhood of Locomotive Engineers and Trainmen will retain their seniority while holding such position, the same as if continuously in engine service. Engineers elected or appointed to public office may be granted

leave of absence for the duration of their term of office or appointment. Engineers in military service will be granted leave of absence in compliance with applicable law.

ARTICLE 33 - JURY DUTY

When an Engineer is summoned for jury duty and loses time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his position for each calendar day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations:

- (i) An Engineer must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.
- (ii) The number of days for which jury duty shall be paid is limited to a maximum of 60 days in any calendar year.
- (iii) No jury duty pay will be allowed for any day as to which the Engineer receives vacation pay.

ARTICLE 34 - BULLETIN BOARDS

The Company shall provide space on bulletin boards at all home terminals to post notice of union business, provided that such notice(s) shall not include any defamatory or anti-Company material.

ARTICLE 35 - CREW CALLING RECORDS

The Company shall provide each Local Chairman and the General Chairman with access in the Crew Calling Computer system that enables them to research calling records and history.

ARTICLE 36 - GENERAL PROVISIONS

- A. The purpose of this Agreement is to fix the general level of compensation and rules covering working conditions through July 31, 2015 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- B. Neither party to this Agreement shall serve prior to March 31, 2015, any notice or proposal for the purpose of modifying, adding to, or deleting from the provisions of this Agreement to become effective prior to August 1, 2015.
- C. The above provisions do not prohibit the parties from reaching agreements on any subject that may be mutually beneficial and agreeable.
- D. This Agreement is effective on December 2, 2013. At such time all other Agreements in effect between the parties, except for the November 1, 2004 Implementing Agreement (Chicago Implementing Agreement), are considered null and void and these Agreements are the only Agreements in effect between the parties.

FOR THE COMPANY:

FOR THE UNION:

/S/

/S/

T.E. Rice
Director, Labor Relations

C.E. Craddock
General Chairman

/S/

/S/

D.L. McPherson
Manager, Labor Relations

W. D. Evans
Vice General Chairman

/S/

P.A. Crain
Manager, Labor Relations

Approved:

Approved:

/S/

/S/

Kim Madigan
Vice President, Labor Relations

M.J. Ruef
Vice President

Side Letter 1 – Air Conditioning



www.cn.ca

United States Region
Labor Relations Department

17641 South Ashland Avenue
Homewood, Illinois 60430-1345

November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive — Suite #139
Memphis, TN 38134 – 7318

Dear Mr. Koonce,

The following confirms our discussion during the just concluded negotiations that resulted in the November 21, 2005 Agreement concerning air conditioning on locomotive cabs.

One of the Union's demands during the current round of negotiations concerned the equipping of road locomotives with air conditioning. Except for locomotives that will be phased out in the next several years, this will confirm the Company's intent to order new road locomotives with air conditioning and equip the existing locomotive fleet with air conditioning at a ratio of ten (10 %) percent per year commencing January 1, 2003. Until such time as all locomotives are equipped with air conditioning, when practicable, locomotives so equipped will be dispatched at the originating terminal in the lead position.

The Company will provide the General Chairman with a list of locomotives equipped with air conditioning each year. It is also understood that in the application of this side letter the Union will not submit any claims.

I trust the foregoing addresses your concerns on this matter.

Yours truly,

/s/

R. K. MacDougall
Director Labor Relations

I Concur

/s/

J.R. Koonce
General Chairman

Side Letter 2- Claim Resolution



United States Region
Labor Relations Department

17641 South Ashland Avenue
Homewood, Illinois 60430-1345

www.cn.ca

August 14, 2013

Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

Dear Mr. Craddock,

This will confirm our understanding reached during negotiations which resulted in the Agreement dated August 14, 2013 that upon the effective date of this agreement all claims based on an occurrence prior to the date of this Agreement involving matters other than discipline are withdrawn without prejudice to the position of either party.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur:

Timothy E. Rice
Director, Labor Relations

C.E. Craddock
General Chairman

Side Letter 3-FRA 6/1 Waiver



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United States Region
Labor Relations Department

17641 South Ashland Avenue
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Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

August 14, 2013

Dear Mr. Craddock,

The following confirms our discussion during the just concluded negotiations that resulted in the August 14, 2013 Memorandum of Understanding.

The Parties commit during the term of this agreement to jointly petition for and use all reasonable efforts to secure renewal of the “6/1 waiver” at such time(s) as it is subject to renewal by the Federal Railroad Administration (FRA).

I trust the foregoing reflects our discussions on this matter

Yours truly,

/S/

Timothy E. Rice
Director, Labor Relations

I Concur:

/S/

C.E. Craddock
General Chairman

Side Letter 4 – Hours of Service



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Labor Relations Department

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Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

August 14, 2013

Dear Mr. Craddock,

The following confirms our discussion during the just concluded negotiations that resulted in the August 14, 2013 Memorandum of Understanding. The parties have agreed to a mandatory requirement to renegotiate the compensation terms of the agreement if the hours of service regulations change as a result of any Governmental entity enacting or changing rest/fatigue rules and/or statutes governing the hours of service in the railroad industry during the time this agreement is in effect.

As outlined in Article 1 of the Agreement, the parties have agreed that the Hourly agreement is founded on the principle of paying for Engineers time on an all-inclusive basis. With this basis in mind, the parties have agreed that in the event the Company is mandated to reduce an engineer's hours of service to less than the ten (10) hour basic day, or reduce the hours during a month that an engineer may be available, or any combination thereof that results in a reduction in availability to less than that permissible by the terms of this Agreement, the parties will meet within five (5) days of notification of such change or at another mutually agreed upon time. Negotiations shall not exceed three (3) days, unless otherwise mutually agreed and the parties will negotiate with a view toward a reduction in the hourly rate of pay in effect. It is understood that in no case shall the hourly rate reduction be more than the proportional decrease in hours worked. If an agreement on the hourly rate cannot be reached within the time frame stipulated above, or if the parties disagree on the appropriate amount of the revised hourly rate, the parties agree to submit the matter for expedited, final and binding arbitration.

Immediately following the failure to reach an agreement within the stipulated time frame, either party may initiate proceedings by serving written notice of intent on the other party to progress the issue to arbitration. Within (3) three days of the notification to proceed to Arbitration, if unable to agree to a Neutral, the parties will select a Neutral by alternate strike from a fifteen (15) name strike list requested/provided from the National Mediation Board (NMB). Pending the availability of the Neutral, a hearing on the dispute will take place within thirty (30) days of the Neutral's selection. The parties shall bear their respective costs of the proceedings. The parties shall compensate the Neutral in equal part. The Neutral will render a decision in the matter within fifteen (15) days of the

conclusion of the hearing unless otherwise agreed, and the decision will be binding on the parties and subject to enforcement as an Award of the National Railroad Adjustment Board.

This further confirms the parties' understanding that if FRA declines to approve these parties' request for a waiver to permit operation of assignments with a six work and one rest day schedule, such declination or failure to approve the request by FRA will not be construed as a reduction which would invoke the terms of this understanding.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur:

/S/

/S/

Timothy E. Rice
Director, Labor Relations

C.E. Craddock
General Chairman

Side Letter 5 – Allocation of Assignments



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United States Region

Labor Relations Department

17641 South Ashland Avenue
Homewood, Illinois 60430-1345

November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers 5909
Shelby Oaks Drive — Suite #139
Memphis, TN 38134 - 7318

Dear Mr. Koonce,

The following confirms our discussion during the just concluded negotiations that resulted in the November 21, 2005 Agreement.

During our discussions the parties recognized that the modification of the former Seniority Districts might have an impact on the allocation of former Consolidated Seniority Districts. The Union raised concerns that employees with former consolidated district seniority may not have the opportunity to positions they would have prior to this Agreement. As a result, the parties agreed that all positions assigned to former consolidated District employees would be identified as such and these positions will determine the formula to be used on a percentage basis for allocation of such assignments.

The respective Local Chairmen and the Company may meet as mutually agreed to review the allocation formula referred to herein. The Labor Management Committee will review all future issues concerning allocation.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur

/s/

/s/

R.K. MacDougall
Director Labor Relations

J.R. Koonce
General Chairman

Side Letter 6 – Remote Control



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United States Region
Labor Relations Department

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November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers 5909
Shelby Oaks Drive – Suite #139
Memphis, TN 38134 - 7318

Dear Mr. Koonce,

The following confirms our discussion during the just concluded negotiations that resulted in the November 21, 2005 Agreement regarding work ownership issues related to any potential future introduction of remote control technology by the Company.

In consideration of the protections provided for in Article 6 of the Agreement, the Union acknowledges that the Company may operate remote technology with any person designated by the Company.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur

/s/

/s/

R.K. MacDougall
Director Labor Relations

J.R. Koonce
General Chairman

Side Letter 7 – Shortage of Engineers – Temporary Transfer



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Labor Relations Department

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Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

August 14, 2013

Dear Mr. Craddock,

The following confirms our discussion during the negotiations that resulted in the Memorandum of Understanding dated August 14, 2013 regarding overcoming temporary shortages of Engineers. To help address those service issues, the parties agreed to the following:

Internal IC Temporary Transfer

Positions will be advertised seven (7) days in advance of an anticipated temporary shortage of Engineers at a specific location(s). Applicants will be selected based upon seniority and the requirements of service at each applicant's seniority district, qualifications being equal. Should temporarily transferred Engineers come from more than one seniority district, their relative seniority standing among themselves, on the district to which transferred, shall be based their earliest seniority date as engineer on IC.

Successful applicants may be required to protect service at the shortage location for a minimum of thirty (30) days but not to exceed one (1) year, unless released by the Company earlier. These time frames may be extended as mutually agreed by the Company, the Engineer and the General Chairman of the BLET. The Company may offer Engineers incentives to temporarily transfer to another seniority district, provided that such incentives are identical for all those Engineers temporarily transferring to that same district.

Temporary Transfer from Other CN properties

If the need for temporary Engineers is still not fulfilled after utilizing those Temporary Transfer provisions, or if work load demands do not permit the release of employees from other terminals to such temporary transfers, offers to Engineers from other CN properties to work on IC temporarily may be posted according to the terms and conditions set forth below.

The positions on IC will be considered temporary positions, and Engineers may be required to work on the IC for up to 59 days.

If all such temporarily transferred Engineers are from the same seniority district on their home road, they shall rank among themselves in order as on their home

seniority district roster. In the event temporarily transferred Engineers are from more than one seniority district or more than one road, their standing among themselves on the IC district to which they temporarily transfer shall be based their earliest seniority date as Engineer on a CN property.

At the discretion of the General Manager, Engineers may be offered additional temporary assignment(s) (not to exceed an additional 59 days) at the conclusion of the initial assignment. In the event not all temporary Engineers can be released simultaneously, volunteers will be released in seniority order. If there are not enough volunteers, Engineers will be released in reverse seniority order.

At the end of every 59 day period (or when released), temporary Engineers will relinquish their rights to work on the IC and must return to their home property, unless otherwise mutually agreed between the General Manager and the General Chairman.

When engineers from other properties are to be used on IC, an equal number of IC demoted engineers must be returned to engine service unless the Carrier can not release them due to the requirements of the service. On a one for one basis, IC demoted engineers who are not returned to engine service for this reason shall be credited with one (1) month of service towards Employment Security for each month other engineers are used on IC property. (Example: if 5 WC engineers are borrowed out to IC, then up to 5 IC demoted engineers who were not returned to engine service due to service requirements in their district shall, based on their relative seniority date as engineer, receive credit toward the 60 month service threshold.

Temporary Transfer to other CN properties

The need for IC Engineers to work on another CN property temporarily may be posted to enable interested Engineers from IC to accept transfer to another CN property on a temporary basis according to the terms and conditions set forth below.

The General Manager will determine the number of IC Engineers who may be released to accept temporary transfer to another property.

Subject to final approval by the General Manager, Engineers will be permitted to transfer based on their seniority and the requirements of service in their home District.

Engineers approved to work on another CN property will be granted a Leave of Absence. The leave of absence shall expire seventy-two (72) hours from the time the Engineer is notified of his/her release from the other property and they shall immediately thereafter mark up for service in their home district. IC Engineers shall not lose their IC seniority as a result of anything resulting from their temporary employment on another property, unless they fail to mark up or return to service on the IC upon conclusion of their leave of absence.

Engineers will not make less than a basic day when available and protecting (other than rest days) on another property. All time worked and available by IC Engineers while on a temporary assignment on another property will be counted towards any applicable IC employment time with regards to seniority accrual, vacation and PLD qualification and Health & Welfare benefits. Engineers on temporary assignments on another property shall be allowed Company provided lodging. Engineers on temporary assignments shall be reimbursed for the necessary costs of transportation, which shall be at the standard driving allowance allowed by the IRS,

from their home (IC) terminal to the location of the Company provided lodging. At the conclusion of their leave of absence, IC Engineers shall be reimbursed for the necessary costs of transportation, which shall be at the standard driving allowance allowed by the IRS, from their Company provided lodging to their home (IC) terminal.

IC Engineers accepting temporary transfer to another property will continue to be covered under the applicable Health & Welfare and benefit provisions as contained in the existing IC/BLET Collective Bargaining Agreement.

Yours truly,

I Concur:

/S/

/S/

Timothy E. Rice
Director, Labor Relations

C.E. Craddock
General Chairman

Side Letter 8 – Familiarization of Territory



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United States Region
Labor Relations Department

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November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers 5909
Shelby Oaks Drive — Suite #139
Memphis, TN 38134 - 7318

Dear Mr. Koonce,

The following confirms our discussion during the just concluded negotiations that resulted in the November 21, 2005 Agreement wherein the Union raised concern that there may be instances where Engineers could be called to operate over unfamiliar territory.

It is recognized that this Agreement may require Engineers to operate trains over portions of subdivisions with which the Engineer may not be familiar. As a result, the parties agreed that it is in their best interests to qualify all Engineers on territories upon which they may be required to operate. In this regard efforts will be made to provide pilots, as required, to qualify all Engineers soon as practicable to ensure all supply points maintain an adequate number of qualified Engineers.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur

/s/

/s/

R.K. MacDougall
Director Labor Relations

J.R. Koonce
General Chairman

Side Letter 9-Rates of Pay



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Southern Region

Director, Labor Relations
 17641 S. Ashland Avenue
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Mr. C.E. Craddock
 General Chairman
 Brotherhood of Locomotive Engineers
 5909 Shelby Oaks Drive – Suite #160
 Memphis, TN 38134 - 7318

August 14, 2013

Dear Mr. Craddock,

The following confirms our discussion during the just concluded negotiations that resulted in the August 14, 2013 Memorandum of Understanding.

Engineers' Rates					
Effective Date	Hourly Rate	Basic Day	Overtime Rate	Holiday Rate (Hourly Rate x 1.2)	Overtime Holiday Rate (Holiday Rate x 1.5)
August 1, 2010	\$ 39.40	\$ 394.03	\$ 59.10	\$ 47.28	\$ 70.92
August 1, 2011	\$ 40.39	\$ 403.88	\$ 60.58	\$ 48.47	\$ 72.70
August 1, 2012	\$ 42.12	\$ 421.24	\$ 63.19	\$ 50.55	\$ 75.82
August 1, 2013	\$ 43.39	\$ 433.88	\$ 65.08	\$ 52.07	\$ 78.10
August 1, 2014	\$ 45.04	\$ 450.37	\$ 67.56	\$ 54.04	\$ 81.07
*August 1, 2015	\$ 46.39	\$ 463.88	\$ 69.58	\$ 55.67	\$ 83.50

GEB Engineers' Rates		
Effective Date	GEB Weekly Guarantee 6/2-5/1	GEB Weekly Guarantee 5/2
August 1, 2010	\$1,671.51	\$1,519.55
August 1, 2011	\$1,713.30	\$1,557.54
August 1, 2012	\$1,786.97	\$1,624.52
August 1, 2013	\$1,840.58	\$1,673.26
August 1, 2014	\$1,910.53	\$1,736.84
*August 1, 2015	\$1,967.84	\$1,788.94

*Subject to acceptance pursuant to Article 5, A (vi) of this Agreement.

Yours truly,

/S/

Timothy E. Rice
 Director, Labor Relations

I Concur:

/S/

C.E. Craddock
 General Chairman

Side Letter 10 – Relocation



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November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive — Suite #139
Memphis, TN 38134 - 7318

Dear Mr. Koonce,

The following confirms our discussion during the just concluded negotiations that resulted in the November 21, 2005 Agreement.

In the event the Company elects to operate runs through an existing terminal that results in the elimination of 75% of the work at such terminal, consistent with the provisions of this Agreement, the Company may provide New York Dock style relocation assistance to those Engineers identified by such terminal elimination.

In the application of the foregoing, the parties agree to meet and review the operational changes referred to herein, and if necessary negotiate the application of any New York Dock style relocation assistance provisions referred to.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur

/s/

/s/

R.K. MacDougall
Director Labor Relations

J.R. Koonce
General Chairman

Side Letter 11- Standing Bid



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November 21, 2005

Mr. J. R. Koonce
General Chairman
Brotherhood of Locomotive Engineers 5909
Shelby Oaks Drive – Suite #139 Memphis,
TN 38134 - 7318

Dear Mr. Koonce,

The following confirms the procedures that will replace Side Letter 14 and Article 8, Section 2, A through C, in the BLE-IC 2002 Agreement dated June 3, 2002.

Assignment to positions shall be governed by seniority. A standing bid system will operate and employees' job preferences will be maintained in crew calling system and can be updated under the following rules.

This procedure permits employees to submit their choice for assignments in order of preference and such assignments will be awarded to employees based upon their relative seniority standing.

Definitions

C.O.C.-Change of Card

C.O.C. Day - 0001 Monday

C.O.C. – Change of Card

P - Initial used herein to designate a Permanent position with a 28-day cycle. T - Initial used herein to designate a Temporary position with a 7-day cycle. P-C.O.C.=Permanent Change of Card, will occur each 28-day cycle at 0001 Monday T-C.O.C.=Temporary Change of Card, will occur each 7-day cycle at 0001 Monday

SECTION 1 Submitting Changes

- A. All Permanent Assignments and all Temporary Assignments (excluding GEB) will be adjusted based upon the preferences Engineers have submitted on their Permanent and Temporary C.O.C. (Change of Card).
- B. Temporary vacancies of seven (7) days or more will be filled in accordance with the provisions contained herein. Engineers will be permitted to submit changes or insert new

assignments to their T-C.O.C. (Temporary Change of Card) Form weekly between 06:00 Monday to 23:59 Friday.

Note: There are no Temporary Vacancies on the GEB.

- C. 1. Engineers will be permitted to insert new assignments to their P-C.O.C. (Permanent Change of Card) Form weekly between 06:00 Monday to 23:59 Friday.
- 2. The last week (Monday to Friday) of each 28-day period Engineers will be permitted to submit changes to their P-C.O.C. (Permanent Change of Card) Form. Changes may be submitted between 06:00 Monday to 2359 Friday during the last week in each 28-day period.

- D. For both Permanent and Temporary C.O.C. (Change of Card), changes may be made by phone when unable to be made by computer, such as an Engineer returning from vacation, leave of absence or discipline, etc.

Note: Changes by phone not received by 23:59 Friday preceding board change day will not be accepted. Previous board change card will remain in effect.

- E. Employees will be allowed to delete positions from their P-C.O.C. (Permanent Change of Card) Form except for the permanent position currently assigned to them. Deletions can be made between 06:00 Monday to 23:59 Friday. The change will be effective on the next T-C.O.C. (Change of Card) day. Once deleted the permanent assignment cannot be re-added until the time period provided in Section 1 Paragraph C.2, herein.

Abolishment of Assignments

- F. The Company will, when possible, abolish and/or establish assignments to be effective at 0001 on Monday of any given week. Newly established assignments that are bulletined after 2359 on a Friday will be run extra until the assignment is awarded by Standing Bid. When it is not possible for the Company to abolish an assignment to be effective 0001 hours on Monday of any given week, Engineer's will have full rights to:

- 1. If the assignment is immediately re-established, at the Engineer's option the Engineer may remain on the assignment;

OR

- 2. Request to be placed on the next assignment as indicated on his/her Permanent Change of Card form. Engineers affected by this request will have the right to request the same.

OR

- 3. Request to be assigned to the Guaranteed Extra Board.

4. Engineers who do not make the request at the time of notification will be assigned to the Guaranteed Extra Board until the next C.O.C. Day when they will be assigned in accordance with their applicable C.O.C. Form (Perm/Temp) subject to the provisions of Paragraph 5 below.
5. As a result of the application of Paragraph 4 above, Engineers who are placed to the Guaranteed Extra Board will:
 - i) For the remainder of the week is afforded a guarantee payment of a basic day's pay for each day if the employee is available for the calendar day and does not perform any compensated service, and was available immediately after notification of the abolishment.
 - ii) Upon request of the employee, be assigned by the CMC with Sunday as a rest day if the employee has not had a day-off in the 7-day period.
6. For the purpose of this Rule when assignments are bulletined on the seniority districts established under this agreement, the following information will be identified:

Prior rights, which include:

- (a) 1973 ICG Merger Prior Rights
- (b) Former Consolidated Seniority
- (c) Seniority District

General

- G. Engineer's will be notified on Saturday by 2359 hours prior to C.O.C. if they will be on a different assignment on C.O.C. Day and if this does not happen regularly, the General Chairman and the Director Labor Relations, or their respective designates, will meet within 30 days to discuss and resolve.

SECTION 2 Assignment of Engineers

- A. 1. Calling windows (spread time) will be adjusted so as not to overlap Monday C.O.C. (Change of Card) Day. Regular assigned employees calling window prior to 00:01 Monday are subject to fulfill the their previous position by either working or being annulled and will considered placed in accordance with their Standing Bid Card until:
 - (i) The employee is available, and
 - (ii) The position is subject to call at the home terminal.
2. At each C.O.C. (Change of Card) day, Engineers will be assigned based upon their tie up time at the home terminal from their last tour of duty, in accordance with their C.O.C. (Change of Card) Form. Engineers newly assigned to the Guaranteed Extra Board will be placed at the BOTTOM of the board in accordance with their previous tie-up time. If two or more engineers have the same tie-up, they will be placed at the bottom of the

board in accordance with their seniority.

- B. When it is known at least 48 hours prior to a C.O.C. (Change of Card) day that an Engineer will be off the working board for the entire adjustment period, the Engineer will be unassigned at the C.O.C. (Change of Card) Day, and the next senior Engineer indicating their preference will be assigned.
- C. When it is known at least 48 hours prior to a C.O.C. (Change of Card) day that an Engineer who was previously unassigned will become available within the next period, that Engineer will be assigned in accordance with Section 1 Paragraph B & C herein.
- D. Engineers returning to work from an extended absence of unknown duration after a C.O.C. (Change of Card) day (or after the 23:59 Friday cut-off) will be assigned by the Crew Management Center to the Guaranteed Extra Board until the next C.O.C. (Change of Card) day when their C.O.C. (Change of Card) Form can take effect. A position on the GEB will be created if none exists. The Engineer assigned to the GEB will receive payment as described in Section 1 Paragraph F 5 (i) herein.
- E. In the event there are no bids for an assigned position, it will be filled in accordance with the following:
 - 1. Senior Locomotive Engineer who was displaced on C.O.C. (Change of Card) Day and does not have any recorded positions left; if none,
 - 2. Senior Locomotive Engineer who does not record any bids; if none,
 - 3. Junior Locomotive Engineer on the Locomotive Engineer's Extra Board where the vacancy exists if there is a surplus; if none,
 - 4. Senior demoted Locomotive Engineer not working as such within the terminal; if none,
 - 5. The senior demoted Locomotive Engineer on the Seniority District nearest via highway miles to the location where the vacancy exists; if none,
 - 6. The junior Engineer on the Seniority District who is occupying a GEB that is defined as having a surplus number of employees, and is nearest via highways miles to the location where the vacancy exists. This sub-paragraph (6) will not apply to employees identified in Article 7, Sub-Section 8 of the BLE-IC 2002 Agreement who have never vacated their former "protection zone" as provided for in the 1973 ICG Merger Implementing Agreement.
- F. An Engineer who does not record all available positions will, when unable to hold positions recorded, be assigned in the following manner:
 - 1. Unfilled position at the home terminal, if none,
 - 2. Unfilled position on the GEB at the home terminal, if none,
 - 3. Will be assigned to the Guaranteed Extra Board at such employee's

home terminal with an assigned rest day as determined by the CMC.

G. Article 11 A will apply when GEB Engineers are awarded a different off day.

Example: Engineer A has Friday as his regular day off. Engineer A is displaced off Friday as his day off and is notified the Saturday before C. O. C. day that he will be assigned Monday as his new day off at 0001 hours on Monday. Engineer A will not be called for service that commences after 2000 hours on the Sunday that precedes the change in his day off.

SECTION 3 General

A. The Parties agree that changes to the Standing Bid process can be made with the concurrence of the General Chairman and the Director Labor Relations.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

/s/

R.K. MacDougall
Director Labor Relations

I Concur

/s/

J.R. Koonce
General Chairman

Side Letter 12-Retroactive Backpay



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August 14, 2013

Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

Dear Mr. Craddock,

The following confirms our discussion during the just concluded negotiations that resulted in the August 14, 2013 Memorandum of Understanding.

It is agreed that retroactive wage payments will be made to active employees as soon as possible, but within ninety (90) days from the Company's notification of this Agreement's successful ratification. The retroactive payments will include but not necessarily be limited to straight time, overtime, holiday pay, guaranteed extra board payments, personal leave day payments, impacted vacation pay (one example would be single day vacations taken after August 1, 2010), bereavement pay, less any cost-of-living allowances already paid, until the date of implementation of the new rates. There is no retroactive payment for any form of expenses or allowances. Any engineer who is off for the specific reasons listed below at the time of the ratification date, but who later returns to active status during the term of this Agreement, shall also be entitled to this payment.

- A. on an injury;
- B. on a medical leave;
- C. on another leave of absence;
- D. due to discipline;
- E. due to demotion;
- F. on Military service;
- G. due to retirement; or
- H. for other reasons for which the parties agree;

Furthermore, disputes (if any) in regard to retroactive wage payments will be handled on a case-by-case basis between the Organization, Labor Relations and the Payroll Department. If unable to reach agreement, the issue will be handled in accordance with Article - 28 - Handling of Claims and Grievances.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

/S/

Timothy E. Rice
Director, Labor Relations

I Concur:

/S/

C.E. Craddock
General Chairman

Side Letter No. 13-Flexible Spending Account



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Mr. C.E. Craddock
General Chairman
Brotherhood of Locomotive Engineers
5909 Shelby Oaks Drive – Suite #160
Memphis, TN 38134 - 7318

August 14, 2013

Dear Mr. Craddock,

The following confirms our discussion during the just concluded negotiations that resulted in the August 14, 2013 Memorandum of Understanding.

It is understood that employees covered under this agreement will be eligible to participate in the Flexible Spending Arrangement (FSA) created by and subject to the terms and conditions of Part C of Article III of the January 5, 2012 National Agreement between the Brotherhood of Locomotive Engineers and the National Carrier’s Conference.

I trust the foregoing reflects our discussions on this matter.

Yours truly,

I Concur:

/S/

/S/

Timothy E. Rice
Director, Labor Relations

C.E. Craddock
General Chairman

ATTACHMENT “A” Questions and Answers

1. Article 4 Scope of Agreement

Paragraph A. Question: Can an Engineer working as such be required to accept a call to perform work in the capacity of another class of service, e.g. train service?

Answer: No. However, an Engineer may voluntarily accept such call.

Paragraph B Question: What is meant by the term a “qualified employee?” Answer:

A certified locomotive engineer qualified to operate on the territory.

Paragraph C Question: Will an engineer be expected to perform duties under this contract that they don’t perform today?

Answer: No.

2. Article 5 Wages

Paragraph C. Question: When does overtime at the rate of time and one half apply?

Answer: Overtime only applies in connection with “service performed”, or when called to work your day off.

Paragraph D. Question: When does overtime apply in the application of working on an assigned rest day?

Answer: In the application of this provision, overtime applies when you are called and listed to work or deadhead at your home terminal. Overtime also applies to a return trip or deadhead, on your day off, out of your away from home terminal, if you are first called at your home terminal on your day off.

Question: Is it mandatory that you accept a call on your assigned day off?

Answer: No

3. Article 6 Employment Security

Question: Can an engineer be force assigned off his seniority district?

Answer: No.

Question: May an engineer voluntarily transfer off of his seniority district?

Answer: Yes, under certain circumstances described in Article 8, Section 3.

4. Article 7 Seniority

Section 8 Question: How will assignments be allocated for those

Engineers who possess prior rights on any of the

former Consolidated Seniority Districts pursuant to the May 30, 1973 IC/GM&O Merger Agreement?

Answer: As in the past, any necessary allocation will be handled between the Local Chairman and the Division Superintendents.

Section 9

Question: Will engineers currently forced to outlying terminals be able to return to their home terminal?

Answer: Engineers force assigned in this manner will be provided an opportunity within the 30 days following the implementation of this agreement to return to their home terminal.

Question: Will engineers whose current seniority district is split be able to choose which new district he wants to work in?

Answer: Engineers will be provided an opportunity within the 30 days following implementation of this agreement to elect which of the new seniority districts that comprise their former seniority district they will work in.

Note: If is apparent that there is an excessive number of engineers relocating from one seniority district to another, the General Chairman and the Company will immediately meet to ensure that a shortage of engineers is not created as a result of the foregoing.

Question: Do former Consolidated Seniority District 4 Engineers retain prior rights to the Memphis North GEB in Seniority District 8 – Zone One and does the same apply to former Consolidated Seniority District 5 Engineers?

Answer: Yes

5. Article 8 Job Vacancies and Bidding

Section 1 B. Question: In the event the Company establishes a 5 day assignment with 2 days off, is it the intent to have the 2 assigned days off consecutive?

Answer: Yes unless otherwise mutually agreed.

Section 1 C. Question: Engineer Smith's regular starting time is at 09:00 a.m. The Company wishes to change his starting time to 10:00 a.m. but is unable to contact Engineer Smith. Engineer Smith reports for duty at 09:00 a.m. as advertised. What time does Engineer Smith go on duty?

Answer: 09:00.

Section 1 E. Question: What is the definition of "Job Title"?

Answer: The normally assigned train symbol. However, it is also understood that there is no penalty if an engineer is required to operate other than the train symbol normally assigned. In such situations, all other conditions of the bulletin apply.

6. Article 11 GEB

Paragraph A. 1. Question: Is an Engineer who is at his home terminal required to accept a call for duty that commences on or after 20:00 on the day preceding their assigned rest day?

Answer: No.

Paragraph A. 2. Question: Engineer Smith voluntarily elects to markup at 06:00 instead of 00:01 for reasons other than provided in Article 11 A. 3. Will Engineer Smith's guarantee be charged if he does not perform service that day?

Answer: Yes, Engineer Smith's guarantee will be charged 1/6 of the weekly guarantee rate.

Paragraph P. Question: Will Engineer assigned to the GEB be allowed to receive payment of a PLD in lieu of on a holiday as described in Article 9 B.?

Answer: Yes.

7. Article 14 On and Off Duty Point

Paragraph D. Question: At the time of call will an Engineer assigned to the GEB be aware of his away from home terminal for this tour of duty?

Answer: A GEB Engineer who is called for unassigned service will be notified of his away from home at time of call. However, if a change of away from home terminal is not made prior to departing the terminal then Article 14D will apply.

Question: If an Engineer is called to protect a regular assignment will he assume the conditions of that assignment?

Answer: Yes.

8. Article 15 Called and Released

Section 2 Paragraph E.

Question: Can an Engineer listed at his away from home terminal operating a train back through his home terminal be tied up at other than his home

terminal?

Answer: No.

Question: Can an Engineer tied up at his away from home terminal be listed for an assignment operating to other than his home terminal; and then be tied up at other than his home terminal?

Answer: Yes, only after the provisions of Article 11. D. has been complied with. If so held, Article 14 D will apply.

Section 3

Question: Will GEB Engineers who are called and released and not used in that calendar day be paid the 1/6 of the GEB rate or the basic daily rate of pay provided for by Article 5?

Answer: A basic day as provided for by Article 5.

Section 5

Question: Will an Engineer be permitted to submit a request to be placed to a Supplemental Board at other than his home terminal?

Answer: No.

9. Student Engineers

Question: When training Student Engineers, is the Engineer relieved of any responsibilities?

Answer: The existing practice whereby the engineer-instructor will not be held responsible for broken knuckles, damaged drawbars or rough handling when the trainee operates the engine will remain. He will, however, be responsible for the safe movement of his train and engine.

10. Side Letter 2 - Air Conditioning

Question: Is the Company expected to equip locomotives with air conditioning that it intends on phasing out in the next several years?

Answer: No. The parties understand that it is impractical to retrofit locomotives destined for retirement with air conditioning. It was also understood that the commitment to include air conditioning on locomotives is intended for new locomotives that the Company intends to purchase which are destined to remain in the US operations.

SENIORITY MAP

