

AGREEMENT

IT IS HEREBY AGREED this 1st day of May, 1996:

ARTICLE I - THOROUGHBRED PERFORMANCE BONUS

Section 1

The Parties signatory hereto pledge their unceasing efforts to transform Norfolk Southern into the safest, most customer-focused, and successful transportation company in the world. The Parties further agree that the compensation system of a world-class transportation company must reflect both the risks and rewards of competing in today's market. This Agreement is the product of that consensus.

Section 2

(a) Effective January 1, 1996 and payable in 1997 locomotive engineers represented by the undersigned General Committees will be eligible for a bonus up to a maximum of five percent (5%) of their engineer earnings in the preceding calendar year.

(b) Effective January 1, 1997 and payable in 1998 locomotive engineers represented by the undersigned General Committees will be eligible for a bonus up to a maximum of five percent (5%) of their engineer earnings in the preceding calendar year.

(c) Effective January 1, 1998 and payable in 1999, and each year thereafter, locomotive engineers represented by the undersigned General Committees will be eligible for a bonus up to a maximum of ten percent (10%) of their engineer earnings in the preceding calendar year.

Section 3

(a) In any year that an annual bonus is paid under Norfolk Southern Corporation's Bonus Program, the amount payable to an engineer will be calculated by multiplying the employee's engineer earnings for the preceding calendar year by the appropriate percentage in Section 2 of this Article and then by the percentage of the maximum annual bonus (to the second decimal place) paid under the Bonus Program in that year. The "percentage of the maximum annual bonus paid under the Bonus Program" for any given year is hereinafter referred to as the "PBP."

Example: If the PBP is 100% of the maximum bonus in calendar year 1997 and the engineer's earnings in his craft in the preceding calendar year (1996) are \$50,000, the following calculation applies:

$$.05 \times \$50,000 \times 1 = \$2,500 \text{ (paid in 1997)}$$

Example: If the PBP is 95.78% of the maximum bonus in calendar year 1999 and the engineer's earnings in his craft in the preceding calendar year (1998) are \$50,000, the following calculation applies:

$$.1 \times \$50,000 \times .9578 = \$4,789 \text{ (paid in 1999)}$$

(b) For the purposes of this section, engineer earnings consist of all payments made under an agreement between the undersigned carriers and the Brotherhood of Locomotive Engineers during the applicable calendar year. The following payments shall be excluded from engineer earnings:

- (i) Thoroughbred Performance Bonus payments,
- (ii) expense reimbursements and allowances, including, but not limited to those required by any protective conditions,
- (iii) any payment made by the carriers in the exercise of their managerial rights; however, this will not restrict the carriers from including such payments in engineer earnings at its sole discretion,
- (iv) any payment made pursuant to a verdict, award or other settlement of a legal dispute.

Section 4

The undersigned carriers will advise the undersigned General Committees of the PBP for each calendar year. The determination of the PBP, including but not limited to the methodology employed and the determination of any figures utilized in the calculation of the PBP, shall remain at management's sole discretion, and shall not be a subject for review, negotiation or dispute. Payment will be made as soon as reasonably possible after the bonus is paid under the Bonus Program.

Section 5

Payments made under this article will not be used in the calculation of vacation pay.

ARTICLE II - SPECIAL PAY DIFFERENTIAL AND COST OF LIVING PAYMENTS

PART A - SPECIAL PAY DIFFERENTIAL

Section 1

Employees who meet the conditions specified in Article V of the 1991 National Implementing Document will continue to receive the frozen differential of \$15 per basic day and 15 cents per mile for miles in excess of the miles encompassed in the basic day under Article V.

Section 2

Employees working as engineers who meet the conditions specified in Article V Section 1, but not Sections 2 (a) and 2 (b) of the 1991 National Implementing Document will, as of the earlier of July 1, 1996 or fourteen days after the ratification of this agreement, receive the frozen differential of \$15 per basic day and 15 cents per mile for miles in excess of the miles encompassed in the basic day.

PART B - COST OF LIVING PAYMENTS - 1991 National Implementing Document

The nine-cent cost-of-living allowance in effect beginning July 1, 1995 pursuant to Article II, Part B of the 1991 National Implementing Document shall be rolled into basic rates of pay on November 30, 1995 and such Article II, Part B shall be eliminated at that time. Any amounts paid from January 1, 1996 under the aforementioned COLA provision (effective January 1, 1996) shall be deducted from regular pay after the effective date of this Agreement.

PART C - COST-OF-LIVING ALLOWANCE & ADJUSTMENTS THERETO AFTER JANUARY 1, 2000

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

(a) A cost-of-living allowance shall be payable in the manner set forth in and subject to the provisions of this Part, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the CPI. The first such cost of-living allowance shall be payable effective July 1, 2000 based, subject to paragraph (d), on the CPI for March 2000 as compared with the CPI for September 1999.

Such allowance, and further cost-of-living adjustments thereto which shall become effective as described below, shall be based on the change in the CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d) (iii), according to the formula set forth in paragraph (e)

Measurement Periods

<u>Effective Date</u> <u>Base Month</u> <u>of Adjustment</u>	<u>Measurement Month</u>
September 1999 July 1, 2000	March 2000
March 2000 January 1, 2001	September 2000

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

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

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

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

<u>Effective Date</u> <u>of Adjustment</u>	<u>Maximum CPI Increase That</u> <u>Shall Be Taken Into Account</u>
July 1, 2000	3% of September 1999 CPI
January 1, 2001	6% of September 1999 CPI, less the increase from September 1999 to March 2000

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

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

(iii) If the increase in the CPI from the base month of September 1999 to the measurement month of March 2000 exceeds 3% of the September 1999 base index, the measurement period that shall be used for determining the cost-of-living adjustment to be effective the following January shall be the 12-month period from such base month of September; the increase in the index that shall be taken into account shall be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account shall be 6% of such September base index less the 3% mentioned in the preceding clause, to which shall be added any residual tenths of points which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which shall have become effective July 1, 2000 during such measurement period.

(iv) Any increase in the CPI from the base month of September 1999 to the measurement month of September 2000 in excess of 6% of the September 1999 base index shall not be taken into account in the determination of subsequent cost of living adjustments.

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

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

The cost-of-living allowance in effect on December 31, 2000 shall be adjusted (increased or decreased) effective January 1, 2001 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the CPI during the applicable measurement period. Any residual tenths of a point resulting from such division shall be dropped. The result of such division shall be added to the amount of the cost-of-living allowance in effect on December 31, 2000 if the CPI shall have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index shall have been lower at the end than at the beginning of the measurement period and then, only to the extent that the

allowance remains at zero or above. The same procedure shall be followed in applying subsequent adjustments.

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

Section 2 - Payment of Cost-of-Living Allowances

(a) The cost-of-living allowance payable to each employee effective July 1, 2000 shall be equal to the difference between (i) the cost-of-living allowance effective on that date pursuant to Section 1 of this Part, and (ii) the lesser of (x) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1999 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1998, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, and (y) one-half of the cost-of-living allowance effective July 1, 2000.

(b) The increase in the cost-of-living allowance effective January 1, 2001 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

(c) The increase in the cost-of-living allowance effective July 1, 2001 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

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

(e) The definition of the carriers' payment rate for foreign-to-occupation health benefits under the Plan set forth in Side Letter #1 of this agreement shall apply with respect to any year covered by this section.

(f) In making calculations under this section, fractions of a cent shall be rounded to the nearest whole cent; fractions less

than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

Section 3 - Application of Cost-of-Living Allowances

The cost-of-living allowance provided for by Section 1 of this Part C will not become part of basic rates of pay. In application of such allowance, each one cent per hour of cost-of-living allowance that is payable shall be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Article I. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Article I, Section 3 of Side Letter #1.

Section 4 - Continuation of Part C

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

ARTICLE III - DENTAL BENEFITS

Section 1 - Continuation of Plan

The benefits now provided under the Railroad employees National Dental Plan (Dental Plan), modified as provided in Section 2 below, will be continued subject to the provisions of the Railway Labor Act, as amended.

Section 2 - Eligibility

Existing eligibility requirements under the Dental Plan are amended, effective January 1, 1996, to provide that in order for an employee and his eligible dependents to be covered for Covered Dental Expenses (as defined in the Dental Plan) during any calendar month by virtue of rendering compensated service or receiving vacation pay in the immediately preceding calendar month (the "qualifying month"), such employee must have rendered compensated service on, or received vacation pay for, an aggregate of at least seven (7) calendar days during the applicable qualifying month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section. Existing Dental Plan provisions pertaining to eligibility for and termination of coverage not specifically amended by this Section shall continue in effect.

Section 3 - Benefit Changes

The following changes will be made effective as of January 1, 1999

(a) The maximum benefit (exclusive of any benefits for orthodonture) which may be paid with respect to a covered employee or dependent in any calendar year beginning with calendar year 1999 will be increased from \$1000 to \$1,500.

(b) The lifetime aggregate benefits payable for all orthodontic treatment rendered to a covered dependent, regardless of any interruption in service, will be increased from \$750 to \$1,000.

(c) The exclusion from coverage for implantology (including synthetic grafting) services will be deleted and dental implants and related services will be added to the list of Type C dental services for which the Plan pays benefits

(d) Repair of existing dental implants will be added to the list of Type B dental services for which the Plan pays benefits.

(e) One application of sealants in any calendar year for dependent children under 14 years of age will be added to the list of Type A dental services for which the Plan pays benefits.

(f) The Plan will pay 80%, rather than 75%, of covered expenses for Type B dental services.

(g) The Plan will establish and maintain an 800 telephone number that employees and dependents may use to make inquiries regarding the Plan.

ARTICLE IV - VISION CARE

Section 1 - Establishment and Effective Date

The railroads will establish a Vision Care Plan to provide specified vision care benefits to employees and their dependents, to become effective January 1, 1999 and to continue thereafter subject to provisions of the Railway Labor Act, as amended, according to the following provisions:

(a) Eligibility and Coverage. Employees and their dependents will be eligible for coverage under the Plan beginning on the first day of the calendar month after the employee has completed a year of service for a participating railroad, but no earlier than the first day of January 1999. An eligible employee who renders compensated service on, or receives vacation pay for, an aggregate

of at least seven (7) calendar days in a calendar month will be covered under the Plan, along with his eligible dependents, during the immediately succeeding calendar month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for the purposes of this Section.

(b) Managed Care Managed vision care networks that meet standards developed by the National Carriers' Conference Committee concerning quality of care, access to providers and cost effectiveness shall be established wherever feasible. Employees who live in a geographical area where a managed vision care network has been established will be enrolled in the network along with their covered dependents. Employees enrolled in managed vision care network will have a point-of-service option allowing them to choose an out-of-network provider to perform any vision care service covered by the Plan that they need. The benefits provided by the Plan when services are performed by in-network providers will be greater than the benefits provided by the Plan when the services are performed by providers who are not in-network providers, including providers in geographic areas where a managed vision care network has not been established. These two sets of benefits will be as described in the table below.

Plan Benefit	In-Network	Other Than In-Network
One vision examination per 12-month period.	100% of reasonable and customary charges	100% of reasonable and customary charges up to a \$35 maximum
One set of frames of any kind per 24-month period.	100% of reasonable and customary charges 1	100% of reasonable and customary charges up to a \$35 maximum
One set of two lenses of any kind, including contact lenses, per 24-month period.	100% of reasonable and customary charges 2	100% of reasonable and customary charges up to the following maximums: up to \$25 for single vision lenses up to \$40 for bifocals up to \$55 for trifocals up to \$80 for lenticulars up to \$210 for medically necessary contact lenses up to \$105 for contact lenses that are not medically necessary
Where the employee or dependent requires only one lens.	100% of reasonable and customary charges 2	100% of reasonable and customary charges up to a maximum of one-half of the maximum benefit payable for a set of two lenses of the same kind

1 Patients who select frames that exceed a wholesale allowance established under the program may be required to pay part of the cost of the frames selected.

2 Patients may be required to pay part of the cost of spectacle lenses or lens characteristics that are not necessary for the patients visual welfare. Moreover, patients who choose contact lenses in lieu of spectacle may be required to pay part of a contact lens evaluation fee and part of the cost of fitting and materials.

Section 2 - Administration

The Vision Care Plan will be administered by the National Carriers' Conference Committee, which will bear the same responsibilities and perform the same functions as it does with respect to the Railroad Employees National Dental Plan, including the development of detailed plan language describing the Plan's eligibility, coverage, benefit and other provisions.

ARTICLE V - BENEFITS ELIGIBILITY

Section 1 - Health and Welfare Plan

The Railroad Employees National Health and Welfare Plan ("the Plan") is amended, effective January 1, 1996, as provided in this Section. In order for an Eligible Employee (as defined by the Plan) to continue to be covered by the Plan during any calendar month by virtue of rendering compensated service or receiving vacation pay in the immediately preceding calendar month (the "qualifying month") such employee must have rendered compensated service on, or received vacation pay for, an aggregate of at least seven (7) calendar days during the applicable qualifying month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section. Existing Plan provisions pertaining to eligibility for and termination of coverage not specifically amended by this Section shall continue in effect.

Section 2 - Vacation Benefits

Existing rules governing vacations are amended as follows effective January 1, 1997:

(a) The minimum number of basic days in miles or hours paid for, as provided in individual schedules, on which an employee must render service under schedule agreements held by the organization signatory hereto to qualify for an annual vacation for the succeeding calendar year shall be increased by fifty (50) percent from the minimum number applicable under vacation rules in effect on the date of this Agreement. The multiplying factors set forth in vacation rules in effect on the date of this Agreement shall be amended to provide that each basic day in yard service performed by a yard service employee or by an employee having interchangeable road and yard rights shall be computed as 1.6 days, and each basic day in all other services shall be computed as 1.3 days, for purposes of determining qualification for vacation based on service rendered in the preceding calendar year.

NOTE: It is the parties' intent that, in accordance with application of the multiplying factors set forth in existing vacation rules as amended above, commencing with calendar year 1997 this subsection would require the equivalent of 150 qualifying days in a calendar year in yard service and 180 qualifying days in a calendar year in road service to qualify for an annual vacation for the succeeding year.

(b) Calendar days on which an employee assigned to an extra list is available for service and on which days he performs no service, not exceeding ninety (90) such days, will be included in the determination of qualification for vacation; also, calendar days, not in excess of forty-five (45) , on which an employee is absent from and unable to perform service because of injury received on duty will be included. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.

(c) Calendar days on which an employee is compensated while attending training and rules classes at the direction of the carrier will be included in the determination of qualification for vacation. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.

(d) During a calendar year in which an employee's vacation entitlement will increase on the anniversary date, such employee shall be permitted to schedule the additional vacation time to which entitled on the anniversary date at any time during that calendar year.

(e) An employee may make up to two splits in his annual vacation in any calendar year.

(f) An employee may take up to one week 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.

(g) Existing rules and practices regarding vacation not specifically amended by this Section, including (but not limited to) scheduling of vacations, shall continue in effect without change.

Section 3

This Article is not intended to restrict any of the existing rights of a carrier except as specifically provided herein.

ARTICLE VI - PERSONAL LEAVE

See Side Letter #5.

ARTICLE VII - ENHANCED EMPLOYMENT OPPORTUNITIES

Section 1

In the event that a carrier sells or leases its interest in one or more rail lines to a non-carrier pursuant to a transaction authorized under 49 U.S.C. §10901 (or any successor provision) as to which labor protective conditions have not been imposed by any governmental authority, any employee represented by the organization signatory hereto who (i) as a result of that transaction is deprived of employment with the carrier because of the abolition of his position, and (ii) does not accept employment with the purchaser shall be entitled to the benefits set forth in Section 2.

Section 2

(a) An employee covered by Section 1 shall have the right, in seniority order, to bid on vacant positions or claim locomotive engineer positions at any location on the carrier at any time within ninety (90) days after being deprived of employment. Seniority issues associated with the exercise of that right shall be resolved by the carrier and the organization representative or, absent agreement and at the request of either party by written notice served on the appropriate representative of the other party, by final and binding arbitration as provided in subsection (b). Solely for the purpose of this Section, a single locomotive engineer seniority roster for the carrier shall be developed, in accordance with applicable rules and procedures, no later than June 30, 1996

(b) The arbitrator shall be selected by the parties. If they fail to agree within five days from the date notice of the submission to arbitration is received from the moving party, either party may request a list of five potential arbitrators from the National Mediation Board, from which the parties shall choose the arbitrator through alternate striking. The order of such striking shall be determined by coin flip unless otherwise agreed by the parties. The fees and expenses of the arbitrator shall be paid under Section 153 of the Railway Labor Act.

(c) An employee exercising rights under this Section who relocates his residence shall receive a relocation allowance of \$5,000, provided, however, that an employee shall be required to elect between such allowance and any carrier relocation benefits that may be provided to such employee under other existing

agreements or arrangements. Such allowance shall be paid in two equal installments: the first payable on the relocation date, and the second ninety (90) days thereafter. Such allowance (or any portion thereof) shall be payable as provided as long as the individual has an employment relationship with the carrier and is still at the new location at the time the payment is due.

NOTE: Employees who presently have extended seniority and who are deprived of employment on their prior right territory(s) as a result of a transaction covered in Section 1, will be covered by the conditions of Section 2 (c), provided that any exercise of seniority must be beyond their prior right territory(s), with a minimum of fifty (50) miles distance.

Section 3

In the case of any transaction authorized under 49 U.S.C. §10901 (or any successor provision), the arrangements provided for under this Article shall be deemed to fulfill all of the parties' bargaining obligations that may exist under any applicable statute, agreement or other authority with respect to such transaction, and shall also be deemed to satisfy the standards for the protection of the interests of employees who may be affected by such transaction described in 49 U.S.C. §10901(e)

Section 4

This Article shall become effective ten (10) days after the date of this Agreement and is not intended to restrict any of the existing rights of a carrier except as specifically provided herein.

ARTICLE VIII - RATE PROGRESSION ADJUSTMENT FOR PROMOTION

Section 1

(a) An employee who is subject to national rules concerning rate progression on the effective date of this Article shall have his position on the rate progression scale adjusted to the next higher level upon promotion to engineer. An employee covered by this Agreement who is subject to Article IV, Section 5 of the 1991 National Implementing Document (Rate Progression - New Hires) on the effective date of this Article shall have his position on the rate progression scale adjusted to the next higher level on such effective date.

(b) The next adjustment to an employee's position on the rate progression scale after the adjustment specified in subsection (a) of this Section shall be made when such employee completes one year

of "active service" (as defined by the aforementioned Article IV, Section 5) measured from the date on which that employee would have attained the position of employee on the rate progression scale provided pursuant to subsection (a) of this Section.

Section 2

Local rate progression rules applicable on a carrier that is not covered by the aforementioned Article IV, Section 5 are hereby amended in the same manner as provided in Section 1.

Section 3

This Article shall become effective ten (10) days after the date of this Agreement and is not intended to restrict any of the existing rights of a carrier except as specifically provided herein.

ARTICLE IX - ENHANCED CUSTOMER SERVICE

Article VIII - Special Relief, Customer Service - Yard Crews of the 1991 National Implementing Document is amended to read as follows and furthermore shall be applicable to all carriers party to this Agreement:

Section 1

(a) When an individual carrier has a customer request for particularized handling that would provide more efficient service, or can show a need for relaxation of certain specific work rules to attract or retain a customer, such service may be instituted on an experimental basis for a six-month period.

(b) Prior to implementing such service, the carrier will extend seven (7) days advance notice where practicable but in no event less than forty-eight (48) hours' advance notice to the General Chairman of the employees involved. Such notice will include an explanation of the need to provide the service, a description of the service, and a description of the work rules that may require relaxation for implementation. Relaxation of work rules that may be required under this Article shall be limited to: starting times, yard limits, calling rules, on/off duty points, seniority boundaries, and class of service restrictions.

(c) A Joint Committee, comprised of an equal number of carrier representatives and organization representatives, shall determine whether a need exists, as provided in paragraph (a), to provide the service. If the Joint Committee has not made its determination by the end of the advance notice period referenced in paragraph (b),

it shall be deemed to be deadlocked, and the service will be allowed on an experimental basis for a six-month period. If, after the six-months has expired, the organization members of the Joint Committee continue to object, the matter shall be referred to arbitration.

(d) If the parties are unable to agree upon an arbitrator within seven days of the date of the request for arbitration, either party may request the National Mediation Board to provide a list of five potential arbitrators, from which The parties shall choose the arbitrator through alternate striking. The order of such striking shall be determined by coin flip unless otherwise agreed by the parties. The fees and expenses of the arbitrator shall be born equally by the parties.

(e) The determination of the arbitrator shall be limited to whether the carrier has shown a bona fide need to provide the service requested or can provide the service without a special exception to existing work rules being made at a comparable cost to the carrier. If the arbitrator determines that this standard has not been met, the arbitrator shall have the discretion to award compensation for all wages and benefits lost by an employee as a result of the carrier's implementation of its proposal.

Section 2

This Article shall become effective ten (10) days after the date of this Agreement and is not intended to restrict any of the existing rights of a carrier.

ARTICLE X - DISPLACEMENT

Section 1

(a) Where agreements that provide for the exercise of displacement rights within a shorter time period are not in effect, existing rules are amended to provide that an employee who has a displacement right on any position (including extra boards) within a terminal or within 30 miles of such employee's current reporting point, whichever is greater, must, from the time of proper notification under the applicable agreement or practice, exercise that displacement right within forty-eight (48) hours.

(b) Failure of an employee to exercise displacement rights, as provided in (a) above, will result in said employee being assigned to the applicable extra board, seniority permitting. (The applicable extra board is the extra board protecting the assignment from which displaced.)

(c) In the event force assignment is not compatible with local agreements, prior to implementation, the parties will meet on property to determine an avenue of assignment.

Section 2

This Article shall become effective ten (10) days after the date of this Agreement and is not intended to restrict any of the existing rights of a carrier.

ARTICLE XI - GENERAL PROVISIONS

Section 1 - Effect of this Agreement

(a) The purpose of this Agreement is to fix the general level of compensation and other terms and conditions of employment during the period of the Agreement and is in settlement of the dispute growing out of the notices dated November 1, 1994 served by and on behalf of the carriers listed in Exhibit A upon the organization signatory hereto, and the notices dated on or about November 1, 1994 served by the organization upon such carriers.

(b) This Agreement shall be construed as a separate agreement by and on behalf of each of said carriers and their employees represented by the organization signatory hereto, and shall remain in effect through December 31, 1999 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties to this Agreement shall not serve nor progress prior to November 1, 1999 (not to become effective before January 1, 2000) any notice or proposal for changing any matter contained in:

- (1) this Agreement,
- (2) the proposals of the parties identified in Section 1(a) of this Article, and
- (3) Section 2(c) (3) of Article VIII of the National Agreement of March 6, 1975.

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

(d) The parties to this Agreement shall not serve nor progress prior to November 1, 1999 (not to become effective before January 1, 2000) any notice or proposal which might properly have been served on November 1, 1994, and any pending notices which propose such matters are hereby withdrawn.

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

SIGNED AT NORFOLK, VIRGINIA THIS _____ DAY OF _____, 1996.

FOR THE NCCC
ENGINEERS

FOR THE EMPLOYEES REPRESENTED BY
THE BROTHERHOOD OF LOCOMOTIVE

W.E. Knight

Participating carriers:

S.D. Speagle

Norfolk Southern Railway
The Alabama Great Southern Railroad Company

R.C. Wallace

Atlantic & East Carolina Railway Company
Central of Georgia Railroad Company
The Cincinnati, New Orleans & Texas Pacific Railway Company
Georgia Southern and Florida Railway Company

P.T. Sorrow

Interstate Railroad Company
Norfolk & Western Railway Company
Tennessee, Alabama and Georgia Railway Company
Tennessee Railway Company

May 1, 1996

#1

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding regarding Articles I and II of the Agreement of this date.

It is understood that The Brotherhood of Locomotive Engineers may between November 1, 1999 and November 30, 1999 provide the Carrier with written notice of its intent to cancel, effective from and after January 1, 2000, Articles I and II collectively of this Agreement.

In the event Articles I and II are canceled, they will, effective from and after January 1, 2000, be replaced by the following:

ARTICLE I - WAGES

Section 1 - General Wage Increase

(a) Effective from and after January 1, 2000 all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers in effect on December 31, 1999 shall be increased by ten-and-one-half ($10\frac{1}{2}$) percent.

(b) In computing the increase under paragraph (a) above, ($10\frac{1}{2}$) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets,

and the amounts so produced shall be added to each standard basic daily rate of pay:

Passenger - 600,000 and less than 650,000 pounds
Freight - 950,000 and less than 1,000,000 pounds (through freight rates)
Yard engineers - Less than 500,000 pounds

Section 2 - Standard Rates

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

Section 3 - Application of Wage Increase

(a) The adjustment provided for in this Article (I) will apply to mileage rates of pay for overmiles, and (ii) will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money.

(b) Miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be adjusted under this agreement in the same manner as heretofore increased under previous wage agreements.

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

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

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

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

(g) Other than standard rates:

Existing basic daily rates of pay other than standard shall be changed, effective as of the date specified in Section 1 hereof, by the same respective percentage as set forth therein, computed and applied in the same manner as the standard rates were determined.

Section 4 - Definition of Carriers' Payment Rate

The carriers' payment rate for any year for foreign-to-occupation health benefits under the Plan shall mean twelve (12) times the payment made by the carriers to the Plan per month (in such year) per employee who is fully covered for employee health benefits under the Plan. Carrier payments to the Plan for these purposes shall not include the amounts per such employee per month (in such year) taken from the Special Account, or from any other special account, fund or trust maintained in connection with the Plan, to pay or provide for current Plan benefits, or any amounts paid by remaining carriers to make up the unpaid contributions of terminating carriers pursuant to Article III, Part A, Section 1 of the Agreed-Upon Implementation of Public Law 102-29 (1991 National Implementing Document).

ARTICLE II - COST-OF-LIVING PAYMENTS

Part A - Cost-of-Living Allowance Through January 1, 2000 and Effective Date of Adjustment

(a) A cost-of-living allowance, calculated and applied in accordance with the provisions of Part B of this Article except as otherwise provided in this Part, shall be payable and rolled in to basic rates of pay on January 1, 2000.

(b) The measurement periods shall be as follows:

<u>Base Month</u>	<u>Measurement Periods</u>	<u>Effective Date</u>
	<u>Measurement Month</u>	<u>of Adjustment</u>
March 1995	March 1996	
March 1997	March 1998	January 1, 2000

plus

The number of points change in the CPI during each of these measurement periods shall be added together before making the calculation described in Part B, Section 1(e) of this Article.

(c) (I) Floor. The minimum increase in the CPI that shall be taken into account shall be as follows:

<u>Effective Date</u>	<u>Minimum CPI Increase That</u>
<u>of Adjustment</u>	<u>Shall Be Taken Into Account</u>
January 1, 2000	4% of March 1995 CPI plus 4% of March 1997 CPI

(ii) Cap. The maximum increase in the CPI that shall be taken into account shall be as follows:

<u>Effective Date of Adjustment</u>	<u>Maximum CPI Increase That Shall Be Taken Into Account</u>
January 1, 2000	6% of March 1995 CPI plus 6% of March 1997 CPI

(d) The cost-of-living allowance payable to each employee and rolled in to basic rates of pay on January 1, 2000 shall be equal to the difference between (i) the cost-of-living allowance effective on that date pursuant to this Part, and (ii) the lesser of (x) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1998 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1995, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, and (y) one half of the cost-of-living allowance effective on January 1, 2000 pursuant to this Part.

(e) The definition of the carriers' payment rate for foreign-to-occupation health benefits under the Plan set forth in Article I, Section 4 of this side letter shall apply to this section.

Part B - Cost-of-Living Allowance and Adjustments Thereto After January 1, 2000

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

(a) A cost-of-living allowance shall be payable in the manner set forth in and subject to the provisions of this Part, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967-100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the CPI. The first such cost-of-living allowance shall be payable effective July 1, 2000 based, subject to paragraph (d), on the CPI for March 2000 as compared with the CPI for September 1999. Such allowance, and further cost-of-living adjustments thereto which shall become effective as described below, shall be based on the change in the CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d) (iii), according to the formula set forth in paragraph (e)

<u>Measurement Periods</u>		
<u>Base Month</u>	<u>Measurement Month</u>	<u>Effective Date of Adjustment</u>
September 1999	March 2000	July 1, 2000
March 2000	September 2000	January 1, 2001

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

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

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

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

<u>Effective Date of Adjustment</u>	<u>Maximum CPI Increase That Shall Be Taken Into Account</u>
July 1, 2000	3% of September 1999 CPI
January 1, 2001	6% of September 1999 CPI, less the increase from September 1999 to March 2000

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

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

(iii) If the increase in the CPI from the base month of September 1999 to the measurement month of March 2000 exceeds 3% of the September 1999 base index, the measurement period that shall be used for determining the cost-of-living adjustment to be effective the following January shall be the 12-month period from such base month of September; the increase in the index that shall be taken into account shall be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account shall be 6% of such September base index less the 3% mentioned in the preceding clause, to which shall be added any residual tenths of profits which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which shall have become effective July 1, 2000 during such measurement period.

(iv) Any increase in the CPI from the base month of September 1999 to the measurement month of September 2000 in excess of 6% of the September 1999 base index shall not be taken into account in the determination of subsequent cost-of-living adjustments.

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

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

The cost-of-living allowance in effect on December 31, 2000 shall be adjusted (increased or decreased) effective January 1, 2001 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the CPI during the applicable measurement period. Any residual tenths of a point resulting from such division shall be dropped. The result of such division shall be added to the amount of the cost-of-living allowance in effect on December 31, 2000 if the CPI shall have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index shall have been lower at the end than at the beginning of the measurement period and then, only to the extent that the allowance remains at zero or above. The same procedure shall be followed in applying subsequent adjustments.

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

Section 2 - Payment of Cost-of-Living Allowances

(a) The cost-of-living allowance payable to each employee effective July 1, 2000 shall be equal to the difference between (i) the cost-of-living allowance effective on that date pursuant to Section 1 of this Part, and (ii) the lesser of (x) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1999 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1998, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, and (y) one-half of the cost-of-living allowance effective July 1, 2000.

(b) The increase in the cost-of-living allowance effective January 1, 2001 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

(c) The increase in the cost-of-living allowance effective July 1, 2001 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

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

(e) The definition of the carriers' payment rate for foreign-to-occupation health benefits under the Plan set forth in Article I, Section 4 of this side letter shall apply with respect to any year covered by this section

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

Section 3 - Application of Cost-of-Living Allowances

The cost-of-living allowance provided for by Section 1 of this Part B will not become part of basic rates of pay. In application of such allowance, each one cent per hour of cost-of-living allowance that is payable shall be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Article I. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Article I, Section 3 of this side letter.

Section 4 - Continuation of Part B

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

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % inc to O/M + ID O/M)

ENGINEER WITH A FIREMAN IN THRU FREIGHT SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	O/M RATE	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRO RATA	ID RATE FROZ O/M
144.27	16.0350	27.0525	1.0717	6	200 -250	309	13.1800	1.1679
144.42	18.0525	27.0800	1.0732	7	250 -300	310	13.1975	1.1694
144.57	18.0725	27.1075	1.0747	8	300 -350	311	13.2175	1.1709
144.78	18.0975	27.1475	1.0768	9	350 -400	312	13.2425	1.1730
144.99	18.1250	27.1875	1.0789	10	400 -500	313	13.2700	1.1751
145.20	18.1500	27.2250	1.0810	11	450 -500	314	13.2950	1.1772
145.41	18.1775	27.2650	1.0831	12	500 -550	315	13.3225	1.1793
145.59	18.2000	27.3000	1.0849	13	550 -600	316	13.3450	1.1811
145.77	18.2225	27.3325	1.0867	14	600 -650	317	13.3675	1.1829
145.95	18.2450	27.3675	1.0885	15	650 -700	318	13.3900	1.1847
146.13	18.2675	27.4000	1.0903	16	700 -750	319	13.4125	1.1865
146.31	18.2900	27.4350	1.0921	17	750 -800	320	13.4350	1.1883
146.49	18.3125	27.4675	1.0939	18	800 -850	321	13.4575	1.1901
146.67	18.3350	27.5025	1.0957	19	850 -900	322	13.4800	1.1919
146.85	18.3575	27.5350	1.0975	20	900 -950	323	13.5025	1.1937
147.03	18.3800	27.5700	1.0993	21	950- 1000	324	13.5250	1.1955
147.21	18.4025	27.6025	1.1011	22	1000- 1050	325	13.5475	1.1973
147.39	18.4250	27.6375	1.1029	23	1050- 1100	326	13.5700	1.1991
147.57	18.4475	27.6700	1.1047	24	1100- 1150	327	13.5925	1.2009
147.75	18.4700	27.7050	1.1065	25	1150- 1200	328	13.6150	1.2027
147.93	18.4925	27.7375	1.1083	26	1200- 1250	329	13.6375	1.2045
148.11	18.5150	27.7725	1.1101	27	1250- 1300	330	13.6600	1.2063
148.29	18.5375	27.8050	1.1119	28	1300- 1350	331	13.6825	1.2081
145.47	18.5600	27.5400	1.1137	29	1350- 1400	332	13.7050	1.2099
148.65	18.5825	27.8725	1.1155	30	1400- 1450	333	13.7275	1.2117
148.83	18.6050	27.9075	1.1173	31	1450- 1500	334	13.7500	1.2135
149.01	18.6275	27.9400	1.1191	32	1500- 1550	335	13.7725	1.2153
149.19	18.8500	27.9750	1.1209	33	1550- 1600	336	13.7950	1.2171
149.37	18.6725	28.0075	1.1227	34	1600- 1650	337	13.8175	1.2189
149.55	18.6950	28.0425	1.1245	35	1650- 1700	338	13.8400	1.2207
149.73	18.7175	28.0750	1.1263	36	1700- 1750	339	13.8625	1.2225
149.91	18.7400	28.1100	1.1281	37	1750- 1800	341	13.8550	1.2243
150.09	18.7625	28.1425	1.1299	38	1800- 1850	342	13.9075	1.2261
150.27	18.7850	28.1775	1.1317	39	1850- 1900	343	13.9300	1.2279
150.45	18.8075	28.2100	1.1335	43	1900- 1950	344	13.9525	1.2297
150.63	18.5300	28.2450	1.1353	44	1950- 2000	345	13.9750	1.2315
150.81	18.8525	28.2775	1.1371	45	2000- 2050	346	13.9975	1.2333
150.99	15.8750	28.3125	1.1389	46	2050- 2100	347	14.0200	1.2351
151.17	18.8975	28.3450	1.1407	47	2100- 2150	348	14.0425	1.2369
151.35	18.9200	28.3800	1.1425	48	2150- 2200	349	14.0650	1.2387
151.53	18.9425	28.4125	1.1443	49	2200- 2250	350	14.0875	1.2405
151.71	18.9650	28.4475	1.1461	66	2250- 2300	351	14.1100	1.2423
151.89	18.9875	28.4800	1.1479	67	2300- 2350	352	14.1325	1.2441
152.07	19.0100	28.5150	1.1497	68	2350- 2400	353	14.1550	1.2459
152.25	19.0325	28.5475	1.1515	69	2400- 2450	354	14.1775	1.2477
152.43	19.0550	28.5825	1.1533	71	2450- 2500	355	14.2000	1.2495
152.61	19.0775	28.6150	1.1551	72	2500- 2550	356	14.2225	1.2513

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % inc to O/M + ID O/M)

ENGINEER WITHOUT A FIREMAN IN THRU FREIGHT SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	O/M RATE	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRO RATA	ID RATE FROZ O/M
150.27	18.7850	28.1775	1.1317	6	200 -250	309	13.9300	1.2279
150.42	18.8025	28.2050	1.1332	7	250 -300	310	13.9475	1.2294
150.57	18.8225	28.2325	1.1347	8	300 -350	311	13.9675	1.2309
150.78	18.8475	28.2725	1.1368	9	350 -400	312	13.9925	1.2330
150.99	18.8750	28.3125	1.1389	10	400 -450	313	14.0200	1.2351
151.20	18.9000	28.3500	1.1410	11	450 -500	314	14.0450	1.2372
151.41	18.9275	28.3900	1.1431	12	500 -550	315	14.0725	1.2393
151.59	18.9500	28.4250	1.1449	13	550 -600	316	14.0950	1.2411
151.77	18.9725	28.4575	1.1467	14	600 -650	317	14.1175	1.2429
151.95	18.9950	28.4925	1.1485	15	650 -700	318	14.1400	1.2447
152.13	19.0175	28.5250	1.1503	16	700 -750	319	14.1625	1.2465
152.31	19.0400	28.5600	1.1521	17	750 -800	320	14.1850	1.2483
152.49	19.0625	28.5925	1.1539	18	800 -850	321	14.2075	1.2501
152.67	19.0850	28.6275	1.1557	19	850 -900	322	14.2300	1.2519
152.85	19.1075	28.6600	1.1575	20	900 -950	323	14.2525	1.2537
153.03	19.1300	28.6950	1.1593	21	950- 1000	324	14.2750	1.2555
153.21	19.1525	28.7275	1.1611	22	1000- 1050	325	14.2950	1.2573
153.39	19.1750	28.7625	1.1629	23	1050- 1100	326	14.3200	1.2591
153.57	19.1975	28.7950	1.1647	24	1100- 1150	327	14.3425	1.2609
153.75	19.2200	28.8300	1.1665	25	1150- 1200	328	14.3650	1.2627
153.93	19.2425	28.8625	1.1683	26	1200- 1250	329	14.3875	1.2645
154.11	19.2650	28.8975	1.1701	27	1250- 1300	330	14.4100	1.2663
154.29	19.2875	28.9300	1.1719	28	1300- 1350	331	14.4325	1.2681
154.47	19.3100	28.9650	1.1737	29	1350- 1400	332	14.4550	1.2699
154.65	19.3325	28.9975	1.1755	30	1400- 1450	333	14.4775	1.2717
154.83	19.3550	29.0325	1.1773	31	1450- 1500	334	14.5000	1.2735
155.01	19.3775	29.0650	1.1791	32	1500- 1550	335	14.5225	1.2753
155.19	19.4000	29.1000	1.1809	33	1550- 1600	336	14.5450	1.2771
155.37	19.4225	29.1325	1.1827	34	1600- 1650	337	14.5675	1.2789
155.55	19.4450	29.1675	1.1845	35	1650- 1700	338	14.5900	1.2807
155.73	19.4675	29.2000	1.1863	36	1700- 1750	339	14.6125	1.2825
155.91	19.4900	29.2350	1.1881	37	1750- 1800	341	14.6350	1.2843
156.09	19.5125	29.2675	1.1899	35	1800- 1850	342	14.6575	1.2861
156.27	19.5350	29.3025	1.1917	39	1850- 1900	343	14.6800	1.2879
156.45	19.5575	29.3350	1.1935	43	1900- 1950	344	14.7025	1.2897
156.63	19.5800	29.3700	1.1953	44	1950- 2000	345	14.7250	1.2915
156.81	19.6025	29.4025	1.1971	45	2000- 2050	346	14.7475	1.2933
156.99	19.6250	29.4375	1.1989	46	2050- 2100	347	14.7700	1.2951
157.17	19.6475	29.4700	1.2007	47	2100- 2150	348	14.7925	1.2969
157.35	19.6700	29.5050	1.2025	48	2150- 2200	349	14.8150	1.2987
157.53	19.6925	29.5375	1.2043	49	2200- 2250	350	14.8375	1.3005
157.71	19.7150	29.5725	1.2061	66	2250- 2300	351	14.8600	1.3023
157.89	19.7375	29.6050	1.2079	67	2300- 2350	352	14.8825	1.3041
158.07	19.7600	29.6400	1.2097	68	2350- 2400	353	14.9050	1.3059
158.25	19.7825	29.6725	1.2115	69	2400- 2450	354	14.9275	1.3077
158.43	19.8050	29.7075	1.2133	71	2450- 2500	355	14.9500	1.3095
158.61	19.8275	29.7400	1.2151	72	2500- 2550	356	14.9725	1.3113
158.79	19.8500	29.7750	1.2169	73	2550- 2600	357	14.9950	1.3131

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % inc to O/M + ID O/M)

ENGINEER WITH A FIREMAN IN LOCAL FREIGHT SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	O/M RATE	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRO RATA	ID RATE FROZ O/M
144.83	18.1050	27.1575	1.0773	6	200 -250	209	13.2500	1.1735
144.98	18.1225	27.1850	1.0788	7	250 -300	210	13.2675	1.1750
145.13	18.1425	27.2125	1.0803	8	300 -350	211	13.2875	1.1765
145.34	18.1675	27.2525	1.0824	9	350 -400	212	13.3125	1.1786
145.55	18.1950	27.2925	1.0845	10	400 -450	213	13.3400	1.1807
145.76	18.2200	27.3300	1.0866	11	450 -500	214	13.3650	1.1828
145.97	18.2475	27.3700	1.0887	12	500 -550	215	13.3925	1.1849
146.15	18.2700	27.4050	1.0905	13	550 -600	216	13.4150	1.1867
146.33	18.2925	27.4375	1.0923	14	600 -650	217	13.4375	1.1885
146.51	18.3150	27.4725	1.0941	15	650 -700	218	13.4600	1.1903
146.69	18.3375	27.5050	1.0959	16	700 -750	219	13.4825	1.1921
146.87	18.3600	27.5400	1.0977	17	750 -800	220	13.5050	1.1939
147.05	18.3825	27.5725	1.0995	18	800 -850	221	13.5275	1.1957
147.23	18.4050	27.6075	1.1013	19	850 -900	222	13.5500	1.1975
147.41	18.4275	27.6400	1.1031	20	900 -950	223	13.5725	1.1993
147.59	18.4500	27.6750	1.1049	21	950- 1000	224	13.5950	1.2011
147.77	18.4725	27.7075	1.1067	22	1000- 1050	225	13.6175	1.2029
147.95	18.4950	27.7425	1.1085	23	1050- 1100	226	13.6400	1.2047
148.13	18.5175	27.7750	1.1103	24	1100- 1150	227	13.6625	1.2065
148.31	18.5400	27.8100	1.1121	25	1150- 1200	228	13.6850	1.2083
148.49	18.5625	27.8425	1.1139	26	1200- 1250	229	13.7075	1.2101
148.67	18.5850	27.8775	1.1157	27	1250- 1300	230	13.7300	1.2119
148.85	18.6075	27.9100	1.1175	28	1300- 1350	231	13.7525	1.2137
149.03	18.6300	27.9450	1.1193	29	1350- 1400	232	13.7750	1.2155
149.21	18.6525	27.9775	1.1211	30	1400- 1450	233	13.7975	1.2173
149.39	18.6750	28.0125	1.1229	31	1450- 1500	234	13.8200	1.2191
149.57	18.6975	28.0450	1.1247	32	1500- 1550	235	13.8425	1.2209
149.75	18.7200	28.0800	1.1265	33	1550- 1600	236	13.8650	1.2227
149.93	18.7425	28.1125	1.1283	34	1600- 1650	237	13.8875	1.2245
150.11	18.7650	28.1475	1.1301	35	1650- 1700	238	13.9100	1.2263
150.29	18.7875	28.1800	1.1319	36	1700- 1750	239	13.9325	1.2281
150.47	18.8100	28.2150	1.1337	37	1750- 1800	241	13.9550	1.2299
150.65	18.8325	28.2475	1.1355	38	1800- 1850	242	13.9775	1.2317
150.83	18.8550	28.2825	1.1373	39	1850- 1900	243	14.0000	1.2335
151.01	18.8775	28.3150	1.1391	43	1900- 1950	244	14.0225	1.2353
151.19	18.9000	28.3500	1.1409	44	1950- 2000	245	14.0450	1.2371
151.37	18.9225	28.3825	1.1427	45	2000- 2050	246	14.0675	1.2389
151.55	18.9450	28.4175	1.1445	46	2050- 2100	247	14.0900	1.2407
151.73	18.9675	28.4500	1.1463	47	2100- 2150	248	14.1125	1.2425
151.91	18.9900	28.4850	1.1481	48	2150- 2200	249	14.1350	1.2443
152.09	19.0125	28.5175	1.1499	49	2200- 2250	250	14.1575	1.2461
152.27	19.0350	28.5525	1.1517	66	2250- 2300	251	14.1800	1.2479
152.45	19.0575	28.5850	1.1535	67	2300- 2350	252	14.2025	1.2497
152.63	19.0800	28.6200	1.1553	68	2350- 2400	253	14.2250	1.2515
152.81	19.1025	28.6525	1.1571	69	2400- 2450	254	14.2475	1.2533
152.99	19.1250	28.6875	1.1589	71	2450- 2500	255	14.2700	1.2551
153.17	19.1475	28.7200	1.1607	72	2500- 2550	256	14.2925	1.2569
153.35	19.1700	28.7550	1.1625	73	2550- 2600	257	14.3150	1.2587

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % inc to O/M + ID O/M)

ENGINEER WITHOUT A FIREMAN IN LOCAL FREIGHT SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	O/M RATE	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRO RATA	ID RATE FROZ O/M
150.83	18.8550	28.2825	1.1373	6	200 -250	209	14.0000	1.2335
150.98	18.8725	28.3100	1.1388	7	250 -300	210	14.0175	1.2350
151.13	18.8925	28.3375	1.1403	8	300 -350	211	14.0375	1.2365
151.34	18.9175	28.3775	1.1424	9	350 -400	212	14.0625	1.2386
151.55	18.9450	28.4175	1.1445	10	400 -450	213	14.0900	1.2407
151.76	18.9700	28.4550	1.1466	11	450 -500	214	14.1150	1.2428
151.97	18.9975	28.4950	1.1487	12	500 -550	215	14.1425	1.2449
152.15	19.0200	28.5300	1.1505	13	550 -600	216	14.1650	1.2467
152.33	19.0425	28.5625	1.1523	14	600 -650	217	14.1875	1.2485
152.51	19.0650	28.5975	1.1541	15	650 -700	218	14.2100	1.2503
152.69	19.0875	28.6300	1.1559	16	700 -750	219	14.2325	1.2521
152.87	19.1100	28.6650	1.1577	17	750 -800	220	14.2550	1.2539
153.05	19.1325	28.6975	1.1595	18	800 -850	221	14.2775	1.2557
153.23	19.1550	28.7325	1.1613	19	850 -900	222	14.3000	1.2575
153.41	19.1775	28.7650	1.1631	20	900 -950	223	14.3225	1.2593
153.59	19.2000	28.8000	1.1649	21	950- 1000	224	14.3450	1.2611
153.77	19.2225	28.8325	1.1667	22	1000- 1050	225	14.3675	1.2629
153.95	19.2450	28.8675	1.1685	23	1050- 1100	226	14.3900	1.2647
154.13	19.2675	28.9000	1.1703	24	1100- 1150	227	14.4125	1.2665
154.31	19.2900	28.9350	1.1721	25	1150- 1200	228	14.4350	1.2683
154.49	19.3125	28.9675	1.1739	26	1200- 1250	229	14.4575	1.2701
154.67	19.3350	29.0025	1.1757	27	1250- 1300	230	14.4800	1.2719
154.85	19.3575	29.0350	1.1775	28	1300- 1350	231	14.5025	1.2737
155.03	19.3800	29.0700	1.1793	29	1350- 1400	232	14.5250	1.2755
155.21	19.4025	29.1025	1.1811	30	1400- 1450	233	14.5475	1.2773
155.39	19.4250	29.1375	1.1829	31	1450- 1500	234	14.5700	1.2791
155.57	19.4475	29.1700	1.1847	32	1500- 1550	235	14.5925	1.2809
155.75	19.4700	29.2050	1.1865	33	1550- 1600	236	14.6150	1.2827
155.93	19.4925	29.2375	1.1883	34	1600- 1650	237	14.6375	1.2845
156.11	19.5150	29.2725	1.1901	35	1650- 1700	238	14.6600	1.2863
156.29	19.5375	29.3050	1.1919	36	1700- 1750	239	14.6825	1.2881
156.47	19.5600	29.3400	1.1937	37	1750- 1800	241	14.7050	1.2899
156.65	19.5825	29.3725	1.1955	38	1800- 1850	242	14.7275	1.2917
156.83	19.6050	29.4075	1.1973	39	1850- 1900	243	14.7500	1.2935
157.01	19.6275	29.4400	1.1991	43	1900- 1 950	244	14.7725	1.2953
157.19	19.6500	29.4750	1.2009	44	1950- 2000	245	14.7950	1.2971
157.37	19.6725	29.5075	1.2027	45	2000- 2050	246	14.8175	1.2989
157.55	19.6950	29.5425	1.2045	46	2050- 2100	247	14.8400	1.3007
157.73	19.7175	29.5750	1.2063	47	2100- 2150	248	14.8625	1.3025
157.91	19.7400	29.6100	1.2081	48	2150- 2200	249	14.8850	1.3043
158.09	19.7625	29.6425	1.2099	49	2200- 2250	250	14.9075	1.3061
158.27	19.7850	29.6775	1.2117	66	2250- 2300	251	14.9300	1.3079
158.45	19.8075	29.7100	1.2135	67	2300- 2350	252	14.9525	1.3097
158.63	19.8300	29.7450	1.2153	68	2350- 2400	253	14.9750	1.3115
158.81	19.8525	29.7775	1.2171	69	2400- 2450	254	14.9975	1.3133
158.99	19.8750	29.8125	1.2189	71	2450- 2500	255	15.0200	1.3151
159.17	19.8975	29.8450	1.2207	72	2500- 2550	256	15.0425	1.3169
159.35	19.9200	29.8800	1.2225	73	2550- 2600	257	15.0650	1.3187

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % Inc to O/M)

ENGINEER WITH A FIREMAN - FIVE DAY YARD SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRORATA	*O/M RATE
153.69	19.2125	28.8175	6	200 -250	457	14.1400	1.1536
153.69	19.2125	28.8175	7	250 -300	457	14.1400	1.1536
153.69	19.2125	28.8175	8	300 -350	457	14.1400	1.1536
153.69	19.2125	28.8175	9	350 -400	457	14.1400	1.1536
153.69	19.2125	28.8175	10	400 -450	457	14.1400	1.1536
153.69	19.2125	28.8175	11	450 -500	457	14.1400	1.1536
153.94	19.2425	28.8650	12	500 -550	458	14.1725	1.1561
154.16	19.2700	28.9050	13	550 -600	459	14.2000	1.1583
154.37	19.2975	28.9450	14	600 -650	460	14.2250	1.1604
154.59	19.3250	28.9875	15	650 -700	461	14.2525	1.1626
154.81	19.3525	29.0275	16	700 -750	462	14.2800	1.1648
155.02	19.3775	29.0675	17	750 -800	463	14.3075	1.1669
155.24	19.4050	29.1075	18	800 -850	464	14.3350	1.1691
155.45	19.4325	29.1475	19	850 -900	465	14.3600	1.1712
155.67	19.4600	29.1900	20	900 -950	466	14.3875	1.1734
155.89	19.4875	29.2300	21	950- 1000	467	14.4150	1.1756
156.11	19.5150	29.2725	22	1000- 1050	468	14.4425	1.1778
156.32	19.5400	29.3100	23	1050- 1100	469	14.4700	1.1799
156.54	19.5675	29.3525	24	1100- 1150	470	14.4975	1.1821
156.75	19.5950	29.3925	25	1150- 1200	471	14.5225	1.1842
156.97	19.6225	29.4325	26	1200. 1250	472	14.5500	1.1864
157.18	19.6475	29.4725	27	1250- 1300	473	14.5775	1.1885
157.40	19.6750	29.5125	28	1300- 1350	474	14.6050	1.1907
157.61	19.7025	29.5525	29	1350- 1400	475	14.6300	1.1928
157.83	19.7300	29.5950	30	1400- 1450	476	14.6575	1.1950
158.04	19.7550	29.6325	31	1450- 1500	477	14.6850	1.1971
158.26	19.7825	29.6750	32	1500- 1550	478	14.7125	1.1993
158.47	19.8100	29.7150	33	1550- 1600	479	14.7375	1.2014
158.69	19.8375	29.7550	34	1600- 1650	480	14.7650	1.2036
158.90	19.8625	29.7950	35	1650- 1700	481	14.7925	1.2057
159.12	19.8900	29.8350	36	1700- 1750	482	14.8200	1.2079
159.33	19.9175	29.8750	37	1750- 1800	483	14.8450	1.2100
159.55	19.9450	29.9175	38	1800- 1850	484	14.8725	1.2122
159.76	19.9700	29.9550	39	1850- 1900	485	14.9000	1.2143
159.98	19.9975	29.9975	43	1900- 1950	486	14.9275	1.2165
160.19	20.0250	30.0375	44	1950- 2000	487	14.9525	1.2186
160.41	20.0525	30.0775	45	2000- 2050	488	14.9800	1.2208
160.62	20.0775	30.1175	46	2050- 2100	489	15.0075	1.2229
160.84	20.1050	30.1575	47	2100- 2150	490	15.0350	1.2251
161.05	20.1325	30.1975	48	2150- 2200	491	15.0600	1.2272
161.27	20.1600	30.2400	49	2200- 2250	492	15.0875	1.2294
161.48	20.1850	30.2775	66	2250- 2300	493	15.1150	1.2315
161.70	20.2125	30.3200	67	2300- 2350	494	15.1425	1.2337
161.91	20.2400	30.3600	68	2350. 2400	495	15.1675	1.2358
162.13	20.2675	30.4000	69	2400- 2450	496	15.1950	1.2380
162.34	20.2925	30.4400	71	2450- 2500	497	15.2225	1.2401
162.56	20.3200	30.4800	72	2500- 2550	498	15.2500	1.2423

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % Inc to O/M)

ENGINEER WITHOUT A FIREMAN - FIVE DAY YARD SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRORATA	*O/M RATE						
159.69	19.9625	28.9425	6	200 -250	457	14.6400	1.2136						
159.69	19.9625	29.9425	7	250 -300	457	14.6400	1.2136	159.69	19.9625	29.9425	8		
300	-350	457	14.6400	1.2136 159.69	19.9625	29.9425	9	350	-400	457	14.6400		
	1.2136	159.69	19.9625	29.9425	10	400	-450	457	14.6400	1.2136	159.69	19.9625	29.9425
11	450	-500	457	14.6400	1.2136	159.94	19.9925	29.9900	12	500	-550		
458	14.6725	1.2161	160.16	20.0200	30.0300	13	550	-600	459	14.7000	1.2183		
160.37	20.0475	30.0700	14	600 -650	460	14.7250	1.2204	160.59	20.0750	30.1125	15		
650	-700	461	14.7525	1.2226 160.81	20.1025	30.1525	16	700	-750	462	14.7800		
	1.2248	161.02	20.1275	30.1925	17	750	-800	463	14.8075	1.2269	161.24	20.1550	30.2325
18	800	-850	464	14.8350	1.2291	161.45	20.1825	30.2725	19	850	-900		
465	14.8600	1.2312	161.67	20.2100	30.3150	20	900	-950	466	14.8875	1.2334		
161.89	20.2375	30.3550	21	950- 1000	467	14.9150	1.2356	162.11	20.2650	30.3975	22		
1000-	1050	468	14.9425	1.2378 162.32	20.2900	30.4350	23	1050-	1100	469	14.9700		
	1.2399	162.54	20.3175	30.4775	24	1100-	1150	470	14.9975	1.2421	162.75	20.3450	30.5175
25	1150-	1200	471	15.0225	1.2442	162.97	20.3725	30.5575	26	1200-	1250		
472	15.0500	1.2464	163.18	20.3975	30.5975	27	1250-	1300	473	15.0775	1.2485		
163.40	20.4250	30.6375	28	1300- 1350	474	15.1050	1.2507	163.61	20.4525	30.6775	29		
1350-	1400	475	15.1300	1.2525 163.83	20.4800	30.7200	30	1400-	1450	476	15.1575		
	1.2550	164.04	20.5050	30.7575	31	1450-	1500	477	15.1850	1.2571	164.26	20.5325	30.8000
32	1500-	1550	478	15.2125	1.2593	164.47	20.5600	30.8400	33	1550-	1600		
479	15.2375	1.2614	164.69	20.5875	30.8800	34	1600-	1650	480	15.2650	1.2636		
164.90	20.6125	30.9200	35	1650- 1700	481	15.2925	1.2657	165.12	20.6400	30.9600	36		
1700-	1750	482	15.3200	1.2679									
165.33	20.6675	31.0000	37	1750- 1800	483	15.3450	1.2700						
165.55	20.6950	31.0425	38	1800- 1850	484	15.3725	1.2722						
165.76	20.7200	31.0800	39	1850- 1900	485	15.4000	1.2743						
165.98	20.7475	31.1225	43	1900- 1950	486	15.4275	1.2765						
166.19	20.7750	31.1625	44	1950- 2000	487	15.4525	1.2786						
166.41	20.8025	31.2025	45	2000- 2050	488	15.4800	1.2808						
166.62	20.8275	31.2425	46	2050- 2100	489	15.5075	1.2829						
166.64	20.8550	31.2825	47	2100- 2150	490	15.5350	1.2851						
167.05	20.8825	31.3225	48	2150- 2200	491	15.5600	1.2872						
167.27	20.9100	31.3650	49	2200- 2250	492	15.5875	1.2894						
167.48	20.9350	31.4025	66	2250- 2300	493	15.6150	1.2915						
167.70	20.9625	31.4450	67	2300- 2350	494	15.6425	1.2937						
167.91	20.9900	31.4850	68	2350- 2400	495	15.6675	1.2958						
168.13	21.0175	31.5250	69	2400- 2450	496	15.6950	1.2980						
168.34	21.0425	31.5650	71	2450- 2500	497	15.7225	1.3001						
168.56	21.0700	31.6050	72	2500- 2550	498	15.7500	1.3023						
168.77	21.0975	31.6450	73	2550- 2600	499	15.7750	1.3044						

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)
(10.5 % Inc to O/M)

ENGINEER WITHOUT A FIREMAN - SIX AND SEVEN DAY YARD SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	RATE CODE	TOTAL W/D	RATE CODE	FROZEN PRORATA	*O/M RATE
148.63	18.5800	27.8700	11	450 -500	414	13.6175	1.1232
148.84	18.6050	27.9075	12	500 -550	415	13.6450	1.1253
149.02	18.6275	27.9425	13	550 -600	416	13.6675	1.1271
149.20	18.6500	27.9750	14	600 -650	417	13.6900	1.1289
149.38	18.6725	28.0100	15	650 -700	418	13.7125	1.1307
149.56	18.6950	28.0425	16	700 -750	419	13.7350	1.1325
149.74	18.7175	28.0775	17	750 -800	420	13.7575	1.1343
149.92	18.7400	28.1100	18	800 -850	421	13.7800	1.1361
150.10	18.7625	28.1450	19	850 -900	422	13.8025	1.1379
150.28	18.7850	28.1775	20	900 -950	423	13.8250	1.1397
150.46	18.8075	28.2125	21	950- 1000	424	13.8475	1.1415
150.64	18.8300	28.2450	22	1000- 1050	425	13.8700	1.1433
150.82	18.8525	28.2800	23	1050- 1100	426	13.8925	1.1451
151.00	18.8750	28.3125	24	1100- 1150	427	13.9150	1.1469
151.18	18.8975	28.3475	25	1150- 1200	428	13.9375	1.1487
151.36	18.9200	28.3800	26	1200- 1250	429	13.9600	1.1505
151.54	18.9425	28.4150	27	1250- 1300	430	13.9825	1.1523
151.72	18.9650	28.4475	28	1300- 1350	431	14.0050	1.1541
151.90	18.9875	28.4825	29	1350- 1400	432	14.0275	1.1559
152.08	19.0100	28.5150	30	1400- 1450	433	14.0500	1.1577
152.26	19.0325	28.5500	31	1450- 1500	434	14.0725	1.1595
152.44	19.0550	28.5825	32	1500- 1550	435	14.0950	1.1613
152.62	19.0775	28.6175	33	1550- 1600	436	14.1175	1.1631
152.80	19.1000	28.6500	34	1600- 1650	437	14.1400	1.1649
152.98	19.1225	28.6850	35	1650- 1700	438	14.1625	1.1667
153.16	19.1450	28.7175	36	1700- 1750	439	14.1850	1.1685
153.34	19.1675	28.7525	37	1750- 1800	441	14.2075	1.1703
153.52	19.1900	28.7850	38	1800- 1850	442	14.2300	1.1721
153.70	19.2125	28.8200	39	1850- 1900	443	14.2525	1.1739
153.88	19.2350	28.8525	43	1900- 1950	444	14.2750	1.1757
154.06	19.2575	28.8875	44	1950- 2000	445	14.2975	1.1775
154.24	19.2800	28.9200	45	2000- 2050	446	14.3200	1.1793
154.42	19.3025	28.9550	46	2050- 2100	447	14.3425	1.1811
154.60	19.3250	28.9875	47	2100- 2150	448	14.3650	1.1829
154.78	19.3475	29.0225	48	2150- 2200	449	14.3875	1.1847
154.96	19.3700	29.0550	49	2200- 2250	450	14.4100	1.1865
155.14	19.3925	29.0900	66	2250- 2300	451	14.4325	1.1883
155.32	19.4150	29.1225	67	2300- 2350	452	14.4550	1.1901
155.50	19.4375	29.1575	68	2350- 2400	453	14.4775	1.1919
155.68	19.4600	29.1900	69	2400- 2450	454	14.5000	1.1937
155.86	19.4825	29.2250	71	2450- 2500	455	14.5225	1.1955
156.04	19.5050	29.2575	72	2500- 2550	456	14.5450	1.1973
156.22	19.5275	29.2925	73	2550- 2600	457	14.5675	1.1991
156.40	19.5500	29.3250	74	2600- 2650	458	14.5900	1.2009
156.58	19.5725	29.3600	75	2650- 2700	459	14.6125	1.2027
156.76	19.5950	29.3925	76	2700- 2750	460	14.6350	1.2045

BLE RATES OF PAY
EFFECTIVE (TEST - 1996)

ENGINEER WITH A FIREMAN - SIX AND SEVEN DAY YARD SERVICE

BASIC	CURRENT	OVER-	RATE		RATE	FROZEN
DAY	PRORATA	TIME	CODE	TOTAL W/D	CODE	PRO RATA
142.63	17.8300	26.7450	11	450 -500	414	13.1175
142.84	17.8550	26.7825	12	500 -550	415	13.1450
143.02	17.8775	26.8175	13	550 -600	416	13.1675
143.20	17.9000	26.8500	14	600 -650	417	13.1900
143.38	17.9225	26.8850	15	650 -700	418	13.2125
143.56	17.9450	26.9175	16	700 -750	419	13.2350
143.74	17.9675	26.9525	17	750 -800	420	13.2575
143.92	17.9900	26.9850	18	800 -850	421	13.2800
144.10	18.0125	27.0200	19	850 -900	422	13.3025
144.28	18.0350	27.0525	20	900 -950	423	13.3250
144.46	18.0575	27.0875	21	950- 1000	424	13.3475
144.64	18.0800	27.1200	22	1000- 1050	425	13.3700
144.82	18.1025	27.1550	23	1050- 1100	426	13.3925
145.00	18.1250	27.1875	24	1100- 1150	427	13.4150
145.18	18.1475	27.2225	25	1150- 1200	428	13.4375
145.36	18.1700	27.2550	26	1200- 1250	429	13.4600
145.54	18.1925	27.2900	27	1250- 1300	430	13.4825
145.72	18.2150	27.3225	28	1300- 1350	431	13.5050
145.90	18.2375	27.3575	29	1350. 1400	432	13.5275
146.08	18.2600	27.3900	30	1400- 1450	433	13.5500
146.26	18.2825	27.4250	31	1450- 1500	434	13.5725
146.44	18.3050	27.4575	32	1500- 1550	435	13.5950
146.62	18.3275	27.4925	33	1550- 1600	436	13.6175
146.80	18.3500	27.5250	34	1600- 1650	437	13.6400
146.98	18.3725	27.5600	35	1650- 1700	438	13.6625

147.16	18.3950	27.5925	36	1700-	1750	439	13.6850
147.34	18.4175	27.6275	37	1750-	1800	441	13.7075
147.52	18.4400	27.6600	38	1800-	1850	442	13.7300
147.70	18.4625	27.6950	39	1850-	1900	443	13.7525
147.88	18.4850	27.7275	43	1900-	1950	444	13.7750
148.06	18.5075	27.7625	44	1950-	2000	445	13.7975
148.24	18.5300	27.7950	45	2000-	2050	446	13.8200
148.42	18.5525	27.8300	46	2050.	2100	447	13.8425
148.60	18.5750	27.8625	47	2100-	2150	448	13.8650
148.78	18.5975	27.8975	48	2150-	2200	449	13.8875
148.96	18.6200	27.9300	49	2200-	2250	450	13.9100
149.14	18.6425	27.9650	66	2250-	2300	451	13.9325
149.32	18.6650	27.9975	67	2300-	2350	452	13.9550
149.50	18.6875	28.0325	68	2350-	2400	453	13.9775
149.68	18.7100	28.0650	69	2400-	2450	454	14.0000
149.86	18.7325	28.1000	71	2450-	2500	455	14.0225
150.04	18.7550	28.1325	72	2500-	2550	456	14.0450
150.22	18.7775	28.1675	73	2550-	2600	457	14.0675
150.40	18.8000	28.2000	74	2600-	2650	458	14.0900

SOUTHERN AND AFFILIATES

BLE RATES OF PAY

EFFECTIVE (TEST - 1996)

(10.5 % inc to O/M)

ENGINEER WITH A FIREMAN IN ROAD SWITCHER SERVICE

BASIC	CURRENT	OVER-			O/M	RATE	FROZEN
DAY	PRO RATA	TIME	RATE	TOTAL W/D	CODE	PRORATA	
151.48	18.9350	28.4025	1.1255	200 -250	809	13.8450	
151.63	18.9550	28.4325	1.1270	250 -300	810	13.8650	
151.78	18.9725	28.4600	1.1285	300 -350	811	13.8825	
151.99	19.0000	28.5000	1.1306	350 -400	812	13.9100	
152.20	19.0250	28.5375	1.1327	400 -450	813	13.9350	
152.41	19.0525	28.5775	1.1348	450 -500	814	13.9625	
152.62	19.0775	28.6175	1.1369	500 -550	815	13.9875	
152.80	19.1000	28.6500	1.1387	550 -600	816	14.0100	
152.98	19.1225	28.6850	1.1405	600 -650	817	14.0325	
153.16	19.1450	28.7175	1.1423	650 -700	818	14.0550	
153.34	19.1675	28.7525	1.1441	700 -750	819	14.0775	
153.52	19.1900	28.7850	1.1459	750 -800	820	14.1000	
153.70	19.2125	28.8200	1.1477	800 -850	821	14.1225	
153.88	19.2350	28.8525	1.1495	850 -900	822	14.1450	
154.06	19.2575	28.8875	1.1513	900 -950	823	14.1675	
154.24	19.2800	28.9200	1.1531	950- 1000	824	14.1900	
154.42	19.3025	28.9550	1.1549	1000- 1050	825	14.2125	
154.60	19.3250	28.9875	1.1567	1050- 1100	826	14.2350	
154.78	19.3475	29.0225	1.1585	1100- 1150	827	14.2575	
154.96	19.3700	29.0550	1.1603	1150- 1200	828	14.2800	
155.14	19.3925	29.0900	1.1621	1200- 1250	829	14.3025	

155.32	19.4150	29.1225	1.1639	1250- 1300	830	14.3250
155.50	19.4375	29.1575	1.1657	1300- 1350	831	14.3475
155.68	19.4600	29.1900	1.1675	1350- 1400	832	14.3700
155.86	19.4825	29.2250	1.1693	1400- 1450	833	14.3925
156.04	19.5050	29.2575	1.1711	1450- 1500	834	14.4150
156.22	19.5275	29.2925	1.1729	1500- 1550	835	14.4375
156.40	19.5500	29.3250	1.1747	1550- 1600	836	14.4600
156.58	19.5725	29.3600	1.1765	1600- 1650	837	14.4825
156.76	19.5950	29.3925	1.1783	1650- 1700	838	14.5050
156.94	19.6175	29.4275	1.1801	1700- 1750	839	14.5275
157.12	19.6400	29.4600	1.1819	1750- 1800	841	14.5500
157.30	19.6625	29.4950	1.1837	1800- 1850	842	14.5725
157.48	19.6850	29.5275	1.1855	1850- 1900	843	14.5950
157.66	19.7075	29.5625	1.1873	1900- 1950	844	14.6175
157.84	19.7300	29.5950	1.1891	1950- 2000	845	14.6400
158.02	19.7525	29.6300	1.1909	2000- 2050	846	14.6625
158.20	19.7750	29.6625	1.1927	2050- 2100	847	14.6850
158.38	19.7975	29.6975	1.1945	2100- 2150	848	14.7075
158.56	19.8200	29.7300	1.1963	2150- 2200	849	14.7300
158.74	19.8425	29.7650	1.1981	2200- 2250	850	14.7525
158.92	19.8650	29.7975	1.1999	2250- 2300	851	14.7750
159.10	19.8875	29.8325	1.2017	2300- 2350	852	14.7975
159.28	19.9100	29.8650	1.2035	2350- 2400	853	14.8200
159.46	19.9325	29.9000	1.2053	2400- 2450	854	14.8425
159.64	19.9550	29.9325	1.2071	2450- 2500	855	14.8650
159.82	19.9775	29.9675	1.2089	2500- 2550	856	14.8875

SOUTHERN AND AFFILIATES

BLE RATES OF PAY

EFFECTIVE (TEST- 1996)

(10.5% Inc to O/M)

ENGINEER WITHOUT A FIREMAN IN ROAD SWITCHER SERVICE

BASIC DAY	CURRENT PRO RATA	OVER-TIME	RATE	TOTAL W/D	O/M CODE	RATE PRORATA	FROZEN
157.48	19.6850	29.5275	1.1855	200 -250	809	14.5950	157.63 19.7050 29.5575 1.1870 250
-300	810	14.6150	157.78	19.7225	29.5850	1.1885	300 -350 811 14.6325 157.99
19.7500	29.6250	1.1906	350	-400 812	14.6700	158.20	19.7750 29.6625 1.1927 400 -450
813	14.6850	158.41	19.8025	29.7025	1.1948	158.450	-500 814 14.7125 158.62 19.8275
29.7425	1.1969	500	-550	815 14.7375	158.80	19.8500	29.7750 1.1987 550 -600 816
14.7600	158.98	19.8725	29.8100	1.2005	600	-650	817 14.7725
159.16	19.8950	29.8425	1.2023	650 -700	818	14.8050	
159.34	19.9175	29.8775	1.2041	700 -750	819	14.8275	
159.52	19.9400	29.9100	1.2059	750 -800	820	14.8500	
159.70	19.9625	29.9450	1.2077	800 -850	821	14.8725	
159.88	19.9850	29.9775	1.2095	850 -900	822	14.8950	
160.06	20.0075	30.0125	1.2113	900 -950	823	14.9175	
160.24	20.0300	30.0450	1.2131	950- 1000	824	14.9400	
160.42	20.0525	30.0800	1.2149	1000- 1050	825	14.9625	
160.60	20.0750	30.1125	1.2167	1050- 1100	826	14.9850	
160.78	20.0975	30.1475	1.2185	1100- 1150	827	15.0075	
160.96	20.1200	30.1800	1.2203	1150- 1200	828	15.0300	
161.14	20.1425	30.2150	1.2221	1200- 1250	829	15.0525	
161.32	20.1650	30.2475	1.2239	1250- 1300	830	15.0750	
161.50	20.1875	30.2825	1.2257	1300- 1350	831	15.0975	
161.68	20.2100	30.3150	1.2275	1350- 1400	832	15.1200	
161.86	20.2325	30.3500	1.2293	1400- 1450	833	15.1425	
162.04	20.2550	30.3825	1.2311	1450- 1500	834	15.1650	
162.22	20.2775	30.4175	1.2329	1500- 1550	835	15.1875	
162.40	20.3000	30.4500	1.2347	1550- 1600	836	15.2100	
162.58	20.3225	30.4850	1.2365	1600- 1650	837	15.2325	
162.76	20.3450	30.5175	1.2383	1650- 1700	838	15.2550	
162.94	20.3675	30.5525	1.2401	1700- 1750	839	15.2775	
163.12	20.3900	30.5850	1.2419	1750- 1800	841	15.3000	
163.30	20.4125	30.6200	1.2437	1800- 1850	842	15.3225	
163.48	20.4350	30.6525	1.2455	1850- 1900	843	15.3450	
163.66	20.4575	30.6875	1.2473	1900- 1950	844	15.3675	
163.84	20.4800	30.7200	1.2491	1950- 2000	845	15.3900	
164.02	20.5025	30.7550	1.2509	2000- 2050	846	15.4125	
164.20	20.5250	30.7875	1.2527	2050- 2100	847	15.4350	
164.38	20.5475	30.8225	1.2545	2100- 2150	848	15.4575	
164.56	20.5700	30.8550	1.2563	2150- 2200	849	15.4800	
164.74	20.5925	30.8900	1.2581	2200- 2250	850	15.5025	
164.92	20.6150	30.9225	1.2599	2250- 2300	851	15.5250	
165.10	20.6375	30.9575	1.2617	2300- 2350	852	15.5475	
165.28	20.6600	30.9900	1.2635	2350- 2400	853	15.5700	
165.46	20.6825	31.0250	1.2653	2400- 2450	854	15.5925	
165.64	20.7050	31.0575	1.2671	2450- 2500	855	15.6150	
165.82	20.7275	31.0925	1.2689	2500- 2550	856	15.6375	

ARTICLE I - WAGES

Q-1: Does the General Wage Increase provided for in Article I of Side Letter #1 apply to guaranteed extra board payments?

A-1: Yes.

Q-2: Does the December 31, 1999, 4% / 6% COLA apply to overmiles?

A-2: Yes.

Q-3: What is the definition of "foreign-to-occupation": as used In Section 10?

A-3: "Foreign-to-occupation" is defined in Article I, Section 4 of Side Letter #1 to mean "other than on duty".

May 1, 1996

2

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen

This confirms our understanding that In the event Articles I and II of Agreement of this date are canceled in accordance with Side Letter 1 and replaced with Articles I and II of Side Letter 1 the following reflects our understanding in regard to Article I -Wages of the Agreement of this date.

Solely for the purpose of concluding this Agreement, the carriers have agreed to apply the general wage increases provided for therein to mileage rates of pay for miles run in excess of the number of miles comprising a basic day (overmiles)

Our agreement to include language providing for such applications shall not be considered as precedent for how such issues should be addressed in the future and is without prejudice to our position that this component of the pay system is inappropriate.

Mr. W. E. Knight et al.
May 1, 1996
Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#3

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

The existing differential of \$6 per basic day, currently payable to engineers working without firemen, shall be incorporated into the basic daily rates of pay of engineers working without firemen and will be subject to wage increases subsequent to this agreement. The differential of 6 cents per mile for miles in excess of the number of miles encompassed in the basic day, payable to engineers working without firemen, is incorporated into the overmile rate for engineers working without firemen and will be subject to wage increases subsequent to this agreement. The standard reduced crew allowance payable to engineers working with a reduced train crew and without a fireman under Side Letter 20 of the 1986 BLE National Agreement is only payable to engineers receiving the special allowance under Article V of the 1991 National Implementing Agreement.

Mr. W. E. Knight et al.

May 1, 1996

Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#4

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, Ohio 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen

This confirms our agreement that the health and welfare offsets will be taken against the 1998 and 1999 Thoroughbred Performance Bonuses in the following manner:

(A) There will be subtracted from each engineer's 1997 bonus a sum equal to the lesser of (x) one-half of the bonus described in Article I of this agreement and (y) two times one-quarter of the amount, if any, by which the carriers' payment rate for 1996 for foreign-to-occupation health benefits under The Railroad Employees National Health and Welfare Plan (Plan) exceeds such payment rate for 1995.

(B) There will be subtracted from each engineer's 1999 bonus a sum equal to the lesser of (x) one-half of the bonus described in Article I of this agreement and (y) one-and-one-half times one-quarter of the amount, if any, by which the carriers' payment rate for 1998 for foreign-to-occupation health benefits under the Plan exceeds such payment rate for 1995.

The carriers' payment rate for any year for foreign-to-occupation health benefits under the Plan shall mean twelve times the payment made by the carriers to the Plan each month (in such year) per employee who is fully covered for employee health benefits under the Plan. Carrier payments to the Plan for these purposes shall not include the amounts per such employee per month

Mr. W. E. Knight et al.

May 1, 1996

Page 2

(in such year) taken from the Special Account, or from any other special account, fund or trust maintained in connection with the Plan, to pay or provide for current Plan benefits, or any amounts paid by remaining carriers to make up the unpaid contributions of terminating carriers pursuant to Article III, Part A, Section 1 of the Agreed Upon Implementation of Public Law 102-29 (1991 National Implementing Document)

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#5

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Gentlemen:

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

Section 1

Employees in road freight service not covered by the National Paid Holiday Rules will be entitled to personal leave day(s) on the following basis subject to the limitation contained in Section 2, below:

<u>Years of Service</u>	<u>Personal Leave Days</u>
Less than five years	3 days
Five years and less than 10 years	5 days
Ten years and less than 15 years	7 days
Fifteen years and less than 20 years	9 days
Twenty years or more	11 days

Section 2

The number of personal leave days each road freight service engineer is entitled to shall be reduced by the number of paid holidays (or pay in lieu thereof) received in covered road service or in the exercise of road and/or yard seniority rights. Once an engineer has reached the maximum of 11 days under this or any other agreement, he will not be entitled to any additional paid holidays or personal leave day(s) in that calendar year.

If an engineer takes any of his personal leave days before his service anniversary date, in a year in which his entitlement will

increase, he may take up to the number of leave days he is entitled to prior to his anniversary date and then take the additional days that he is entitled to after his service anniversary date.

Section 3

Personal leave day(s) may be taken upon 24 hours' advance request to an appropriate Carrier Officer and shall be granted consistent with the requirements of the service. The Carrier has the option of granting personal leave days with less than 24 hours' notice. The engineer will be paid one basic day at the rate of the last service performed for each personal leave day(s). Should the Carrier refuse an engineer's request for Personal day(s), those leave days will be carried over, but must be requested and granted prior to May 1 of the following year. Any personal leave days not taken during the calendar year because of failure of the engineer to make timely request therefor shall not be carried over.

Section 4

Personal leave day or days will not be scheduled to start on other than a workday of the engineer's position. Personal leave days for extra board engineers and those in pool freight service will begin when they otherwise would have been called. Personal leave days paid for will be counted as qualifying days for vacation Purposes.

Section 5

Personal leave days will not be scheduled or allowed to start on other than a work day of engineer's position and when personal leave days begin, they will be taken consecutively.

Personal leave days for extra board engineers and those in Pool Freight Service will begin when they otherwise would have been called.

Section 6

For convenience, references to gender, if any, in this Agreement are made in the masculine gender. It is understood and agreed by the parties to this Agreement that references to the masculine gender include both the masculine and female genders.

Section 7

Appended as Attachment "A" are questions and answers concerning this Agreement.

Mr. W. E. Knight et al.

May 1, 1996 {}{}{}

Page 3

Section 8

This Agreement will be effective this date and remain in effect until changed or modified in accordance with the Railway Labor Act, as amended.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

Attachment "A"

Question and Answer No. 1.

- Q. If an engineer with more than five years and less than ten years of service, who is entitled to five Personal leave days a year (receives or could have received 6 paid holidays but did not qualify due to unavailability on qualifying day or days), goes to road service, which does not qualify for holiday pay, would he be entitled to five personal leave days?
- A. Yes, but he could not get more than eleven Personal leave days and holidays through the combination of the two.

Question and Answer No. 2.

- Q. In the event the same engineer, who qualified for and who is entitled to five personal leave days, works a yard job or a road job qualifying for holiday pay and earns seven paid holidays and then takes a job that does not qualify for holiday pay, how many personal leave days would he then be entitled to?
- A. Four.

Question and Answer No. 3.

- Q. In the case of a 20-year engineer working the first part of the year on freight trains not covered by holiday pay, and during such time uses all eleven days of his "personal leave," then goes to a road freight run covered by Holiday Pay Rules, or yard service covered by Holiday Pay Rules, what is his eligibility for holiday pay?
- A. He would not be eligible for holiday pay, as he used his maximum eleven days for the year, and no more holiday-pay days would be due; similarly, if he used five days of Personal leave, he would only be eligible for the six holiday-pay opportunities the remainder of the year, i.e., in no event can an engineer accrue more than eleven days' personal leave or holiday pay in combination.

Question and Answer No. 4.

- Q. If a passenger service engineer, where no holiday pay applies, or a yard service employee, goes into freight service where the personal leave days apply, is he eligible for such days when in freight service?
- A. Yes, after the engineer has made one or more trips in freight service.

Question and Answer No. 5.

Q. An engineer has five years of service as of December 28, 1992, has taken no personal leave days prior to that date and is then entitled to five personal leave days, but there are only four days remaining in the year. After taking four Personal leave days, may he then carry the fifth day over into the next year?

A. No.

Question and Answer No. 6.

Q. An engineer who will have five years of service on August 1, 1992, takes three personal leave days prior to that date. Is he entitled to an additional two Personal leave days after August 1, 1992?

A. Yes.

Question and Answer No. 7.

Q. Can an engineer on a combination road/yard extra board take Personal leave days?

A. Yes, but he cannot get more than 11 personal leave/holidays through a combination of the two.

Question and Answer No. 8.

Q. .When personal leave days have begun, how will they be computed?

A. Consecutively on calendar-day basis.

Question and Answer No. 9.

Q. Does this Agreement preclude the payment of time and one-half for service actually performed on a holiday by an engineer who has previously taken a combination of eleven (11) holiday / personal leave days?

A. No, provided he is otherwise qualified for time and one-half payment for service performed on a holiday under the National Holiday Rule.

Question and Answer No. 10.

Q. If an engineer carries over personal leave days as provided by Section 3, will such employee be permitted to take his personal leave days even though he is holding, at that time, an assignment covered by the National Paid Holiday Rules?

A. Yes.

May 1, 1996

#6

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding with respect to Article III, Section 2 and Article V, Section 1 of the Agreement of this date.

Those provisions shall be applied effective on the first day of the calendar month immediately following the month in which this Agreement is ratified.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#7

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding regarding Article V - Benefits Eligibility of the Agreement of this date.

This will confirm our understanding that eligibility criteria in effect on December 31, 1995 governing coverage by The Railroad Employees National Health and Welfare Plan shall continue to apply to employees represented by the organization who hold positions as working General Chairmen, Local Chairmen, and State Legislative Board Chairmen ("local officials") . In other words, the changes in eligibility as set forth in Article V, Section 1 are not intended to revise eligibility conditions for local officials. It is further understood that by providing this exclusion it is not intended that the total number of such officials covered be expanded.

Mr. W. E. Knight et al.

May 1, 1996

Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#8

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding regarding Article V - Benefits Eligibility of the Agreement of this date.

This will confirm our understanding that vacation qualification criteria in effect on the date of this Agreement shall continue to apply to employees represented by the organization who holds positions as working General Chairmen, Local Chairmen, and State Legislative Board Chairmen ("local officials") . In other words, the changes in eligibility as set forth in Article V, Section 2 are not intended to revise vacation qualification conditions for such local officials. It is further understood that by providing this exclusion it is not intended that the total number of such officials covered be expanded.

Mr. W. E. Knight et al.

May 1, 1996

Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#9

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

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Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

During the negotiations which led to the Agreement of this date, the parties had numerous discussions about the relationship between time worked and benefits received. The carriers were concerned that certain employees were not making themselves sufficiently available for work, but due to the then current eligibility requirements such employees remained eligible for health and welfare benefits.

As a result of these discussions, the parties agreed to tighten one eligibility requirement from any compensated service in a month to seven calendar days compensated service in a month (the seven-day rule"). However, it was not the intent of the parties to affect employees by this change where such employees have made themselves available for work and would have satisfied the seven-day rule but for an Act of God, an assignment of work which did not permit satisfaction of the seven-day rule, or because monthly mileage limitations, monthly earnings limitations and/or maximum monthly trip provisions prevented an employee from satisfying that rule .

Also where employees return to work from furlough, suspension, dismissal, or disability (including pregnancy), or commence work as new hires, at a time during a month when there is not opportunity to render compensated service on at least seven calendar days

Mr. W. E. Knight et al.

May 1, 1996

Page 2

during that month, such employees will be deemed to have satisfied the seven-day rule, provided that they are available or actually work every available work opportunity.

However, in no case will an employee be deemed eligible for benefits under the new eligibility requirement if such employee would not have been eligible under the old requirements.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#10

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding regarding Article IX - Enhanced Customer Service of the Agreement of this date.

In recent years the rail freight sector of the transportation market place has taken steps toward a more competitive discipline which, if successful, could point the rail industry toward more growth. The parties to this Agreement are intent on nurturing these improvements. In this respect we mutually recognize that an important reason underlying the recent improvement has been enhanced focus on customer needs and improved service as the framework for working conditions. Increase employee productivity and more immediate responses to customer needs by railroad employees at all levels have been and will continue to be at the very heart of this effort.

In order to continue these recent improvements, the parties intend to respond to customers' needs with even greater efforts. In Article IX, we have developed a framework for achieving our mutual goal of retaining existing customers and attracting new business by providing more efficient and expedient service, including relaxation of work rules specified therein where and to the extent necessary for those purposes. We are also in accord that these undertakings should appropriately recognize the interests of affected employees in fair and equitable working conditions.

Mr. W. E. Knight et al.

May 1, 1996

Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#11

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This refers to our discussions concerning flowback arrangements between engine and train service Positions in those situations where the BLE represents engineers. Each carrier shall meet with and obtain the concurrence of the BLE representative(s) having jurisdiction over the engineers' seniority roster or rosters involved in any flowback arrangements on such carrier before the flowback arrangements are implemented.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#12

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

The parties exchanged various proposals and drafts antecedent to adoption of the various Articles that appear in this Agreement. It is our mutual understanding that none of such antecedent proposals and drafts will be used by any party for any purpose and that the provisions of this Agreement will be interpreted and applied as though such proposals and drafts had not been used or exchanged in the negotiation.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

P.T. Sorrow
P.T. Sorrow

May 1, 1996

#13

Mr. W. B. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Gentlemen:

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

Employees will be called in the order they are marked up and available for service. In no case is an employee due compensation if not called due to not being rested under the Hours of Service Law.

Employees runaround during their tour of duty through no fault of their own will be marked up at the opposite terminal, provided they advise appropriate carrier personnel, in the same relative position as they stood at the terminal where their assignment went on duty.

It is not the intent of this understanding to require crews to be run in the same order as called.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

May 1, 1996

#14

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

Independent yard assignments may be required to perform general yard switching without additional compensation. Regular assigned yard assignments will not be annulled as a result of the application of this understanding.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#15

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

Extra board engineers must be available for all engineer assignments protected by the extra board.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#16

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, Illinois 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

Upon the service of a notice under Article IX, Section 1, of the 1986 BLE National Agreement of intent to implement interdivisional service, the parties will discuss the details of operating and working conditions of the proposed runs during a period of 30 days following the date of the notice. If they are unable to agree, at the end of the 30-day period, with respect to runs which operate through a home terminal or home terminals of previously existing runs which are to be extended, such run or runs will be operated on a trial basis until completion of the procedures referred to in Article IX, Section 4 of the 1986 BLE National Agreement. This trial basis operation will not be applicable to runs which it is anticipated will result in the elimination of an existing home terminal. This understanding does not restrict any of the existing rights of the Carrier and is not applicable to any notice served prior to the date of this agreement.

Mr. W. E. Knight et al.
May 1, 1996
Page 2

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#17

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

In consideration of the mutual benefits that can be obtained by both the Carrier and engineers represented by the Brotherhood of Locomotive Engineers, the parties will negotiate agreements that recognize that engineers can be utilized when necessary to fill vacancies on all runs originating from their home terminal.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#18

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

It is understood that employees will be required to participate in the Carrier's Direct Deposit Program for all future payroll payments and any rule, agreement or understanding in conflict therewith is canceled. Engineers will have thirty (30) days from the date of this agreement to provide Payroll with all necessary information needed to begin the program or provide payroll written notification of their refusal to participate.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#19

Mr. W. E. Knight, General Chairman
Brotherhood of Locomotive Engineers
433 South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

In recognition of the parties' mutual desire to operate the service in a more efficient manner while reducing the time at the away from home terminal, turnaround service may be established between terminals under the terms and conditions of Article IX - Interdivisional Service of the 1986 National Agreement. It is not intended to restrict any of the existing rights of the Carrier by this understanding.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

May 1, 1996

#20

Mr. W. E. Knight, General Chairman
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433 South Street
Wheelersburg, OH 45694

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Brotherhood of Locomotive Engineers
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace, General Chairman
Brotherhood of Locomotive Engineers
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

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

Reference is made to discussion of the Agreement of this date during which it was agreed that the Carrier can utilize work trains in revenue service without penalty.

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

Very truly yours,

R.F. Allen

Robert F. Allen

I agree:

W.E. Knight
W.E. Knight

Stephen D. Speagle
S.D. Speagle

R.C. Wallace
R.C. Wallace

ARTICLE V - BENEFITS ELIGIBILITY

Section 1 - Health and Welfare Plan

Q-1: In situations where employees are assigned to Reserve Boards or observe Personal Leave Days, will such Lime be counted toward fulfillment of the seven (7) calendar day requirement for benefit eligibility in the succeeding month?

A-1: This Article does not change existing definitions of the term "render compensated service" for purposes of Plan eligibility.

Q-2: Does the seven (7) day qualifying requirement in the previous month apply to those employees who take a period of family or medical leave authorized and provided for under the Family and Medical Leave Act (FMLA)?

A-2: No. Such period of authorized leave will be treated as if it were a period during which the employee rendered compensated service, subject to the limitations contained on Page 21 of the current Summary Plan Description of the Railroad Employees National Health and Welfare Plan.

Q-3: If an employee has two (2) starts in one calendar day, how many days will he / she be credited with for purposes of fulfilling the seven (7) calendar day qualifying requirement?

A-3: The employee receives credit for each calendar day worked.

Q-4: How are employees treated with reference to benefit eligibility in cases of off-the-job injury and or illness?

A-4: In the same manner as currently being treated by the Plan without change.

Q-5: How is benefit eligibility handled for employees who are absent?

A-5: The employee must meet the eligibility requirements to be eligible for benefits in the following month.

Q-6: How are the provisions of the Health and Welfare Plan affected by the changes in benefit eligibility?

A-6: There is no change.

Q-7: What was the intent of the parties when increasing the number of qualifying days for health benefits eligibility?

A-7: The intent was for the employee to render a more proportionate amount of service in a given month so as to be eligible for health benefit coverage in the succeeding month.

Q-8: Existing rules on some properties contain monthly mileage limitations, monthly earnings limitations, and / or maximum monthly trip provisions so as to possibly preclude an individual from satisfying the seven (7) day qualifying requirement?

A-8: Under these circumstances, it was not the intent of the parties to disqualify the individual for health care benefits, nor was it the parties intent for the individual to expend vacation days so as to otherwise meet the service requirements.

Q-9: Will the new qualifying provisions be applied retroactively to January 1,1996 so as to disqualify individuals for employee and/or dependent health benefits who were eligible under the previous requirements?

A-9: No. As provided in Side Letter # 6, such provisions shall be applied effective on the first day of the calendar month immediately following the month in which the Agreement is ratified.

Q-10: Will mileage equivalents and overtime hours be used in calculating the seven (7) day requirement?

A-10: No.

Q-11 In situations where employees return to work after periods of extended absence as a result of but not limited to, disability, furlough, suspension, dismissal, leave of absence or pregnancy at a point in a calendar month so as to make it impossible to satisfy the seven (7) day requirement, but make themselves otherwise available or work all of the remaining days

in that month, will they qualify for medical benefit coverage in the month next following their return to work?.

A-11: This is addressed in and will be determined in accordance with the provisions of Side Letter #9.

Q-12: Does the term 'local officials' as used in Side Letter #7 include division presidents, secretaries / treasurers and legislative representatives who may also be required to lose time from their assignments due to union obligation?

A-12: No, local officials are limited to working General Chairmen, Local Chairmen, and State Legislative Board Chairmen

Q-12: Will regular assigned road freight service employees and/or pool service employees who may be prevented from performing Service in a calendar month equal to or exceeding the seven (7) calendar days due to, but not limited to acts of god, catastrophe, inclement weather, related industry shutdowns or other traffic pattern conditions be deemed ineligible for health benefits in the succeeding month?

A-13: This is addressed in and will be determined in accordance with the provisions of Side Letter # 9.

Q-14: Is it correct that in the event of an employee and/or dependent(s) losing coverage under this rule, such individual will be eligible to continue coverage in accordance with the COBRA rules?

A-14: Eligibility for COBRA coverage remains unchanged.

Q-15: Will paid holidays be counted in meeting the qualifying requirement?

A-15: This Article does not change existing definitions of the term "render compensated service" for purposes of Plan eligibility.

ARTICLE V - BENEFITS ELIGIBILITY

Section 2 - Vacation benefits

Q-1: in situations where employees observe Personal Leave Days, will such time be counted toward fulfilling the qualifying requirements for vacation to be taken in the succeeding year?

A-1: Yes, if that is the current practice on the individual railroad.

Q-2: Is it correct that an employee who works six (6) months in yard service and six (6) months in road service will qualify for a vacation after rendering service amounting to the equivalent of 150 qualifying days commencing January 1, 1997?

A-2: There is no change from existing applications concerning employees with road and yard rights.

Q-3: How many days must an employee work in 1996 to qualify for a vacation to be taken in 1997?

A-3: There is no change in the National Vacation Agreement which will increase the qualifying days in 1996 for a 1997 vacation period. Beginning in 1997, however, employees must meet the new qualifying criteria for a 1998 vacation.

Q-4: Are current system agreements providing more than two splits in annual vacations affected by this agreement?

A-4: No.

Q-5: Are current system agreements providing for more than one week of annual vacation to be taken in single day increments changed by this agreement?

A-5: No.

Q-5: What procedure should be followed when requesting a single day of vacation?

A-6: Employees should follow the established procedure for assigning vacations on the property. Where there is none, the procedures used for scheduling personal leave days should be used.

Q-7: Must the Carrier allow the request made by an employee to observe a single day of vacation?

A-7: Yes, employees should follow the established procedure for assigning vacation on the property.

Where there is none, the procedures used for scheduling personal leave days should be used.

Q-8: Will employees be automatically marked up for service upon return from vacation periods of more than a single day?

A-8: The new provisions for automatic mark-up apply only when taking vacation in less than one week increments. Otherwise, existing rules and practices continue to apply.

Q-9: There are many questions raised with regard to the change in the number of qualifying days. The questions include, but are not limited to, the application of the 1.6 and 1.3 multiplying factors and the determination of the number of accumulated days of service for qualification for extended vacation. How might these questions be resolved?

A-9: The parties commit to the formulation of a Vacation Synthesis so as to fully incorporate the changes made in this Agreement and to serve as a guide to resolve these questions and issues.

Q-10: When an employee elects to observe one (1) week of vacation in single day increments as provided for in paragraphs (f) does that constitute on one (1) of the allowable two (2) splits in his / her annual vacation as provided for in paragraph (e)?

A-10: Yes.

Q-11: Does the term "local officials" as used in Side Letter #8 include division presidents, secretaries / treasurers and legislative representatives who may be required to lose time from their assignments due to union obligations?

A-11: No, local officials are limited to working General Chairmen, Local Chairmen, and State Legislative Board Chairmen.

Q-12: In application of paragraph (f), how many days of single day vacations may a yard service and road service employee be permitted to take; five, six or seven days?

A-12: This question should be decided on each individual property in accordance with the past practice
as to what appropriately constitutes one (1) week of annual vacation.

Q-13. Can the employee elect to take vacation in periods of two (2), three (3), or four (4) days rather than a single day increments?

A-13: Yes, employees should follow the established procedure for assigning vacations on the property.
Where there is none, the procedures used for scheduling personal leave days should be used.

Q-14: If an employee observes a single day of vacation and subsequently becomes ill so as to be unable
to work the next day, what must he / she do inasmuch as they are to mark-up for service automatically?

A-14: The employee should follow the established procedure for marking off sick.

Q-15: Are an employee's obligations under existing rules and practices with respect to protecting service
on his assigned off / rest days changed if the employee observes a single day of vacation immediately prior to such off / rest day?"

A-15: No.

Q-16: May an employee request a single day of vacation to be taken immediately following a day where
he/she was off sick or observing a personal leave day?

A-16: Yes.

ARTICLE VII - ENHANCED EMPLOYMENT OPPORTUNITIES

Q-1: Should a subsequent separate transaction occur after an initial relocation would the affected employee be allowed to again apply under Section 2?

A-1: Yes.

Q-2: What does "deprived of employment" mean for the purposes of the application of this Article?

A-2: The inability to obtain any possible position to which entitled.

Q-3: Will the resultant seniority roster established per Article VII, Section 2, cause any employee to suffer a loss of seniority on any roster to which they currently have seniority?

A-3: No. Such employee establishes seniority as of the date of service in the vacant, must fill or claim open, must fill position. All existing seniority remains intact.

Q-4: In order for an employee to receive the relocation allowance under Section 2 (c), is it required that the employee:

- (a) Sell his / her existing residence?
- (b) Stay / work a minimum amount of time at the new location?
- (c) Move thirty (30) or more miles from his former residence?

A-4: (a) No.

(b) To receive the full allowance, the rule requires that the employee be at the new location at the time the second payment is due.

(c) Yes. The note to paragraph (c) requires an exercise of seniority a distance greater than 50 miles.

Q-5: What is the definition of "prior right territory(s)" as set forth in the note to Section 2 (c)?

A-5: This is determined on the individual properties in accordance with the applicable rules and / or practices governing seniority.

ARTICLE VIII - RATE PROGRESSION

Q-1: What rate of pay is applicable to employees who are promoted to engineer but are working as brakemen (helpers) and / or hostler?

A-1: Once an individual is promoted to engineer, that employee receives the applicable rate percentage, regardless of the craft in which they are working, until such time as they reach the next rate step in accordance with Article IV, Section 5 of the 1991 Implementing Agreement.

Q-2: An 80% entry rate employee promoting to engineer March 1, 1996, immediately elevates to the 85% entry rate. On his / her July 1, 1996 hiring anniversary date does the entry rate of that employee increase to 90%?

A-2: No. The employee goes to 90% on July 1, 1997.

Q-3: An employee is elevated to the next step in the rate progression upon promotion from brakeman to conductor. Does that employee elevate to the next step upon subsequent promotion to engineer?

A-3: Yes.

Q-4: Where existing promotion rules or practices provide for the automatic promotion to conductor and engineer upon promotion to either conductor or engineer, will an employee be elevated two (2) steps on the wage scale?

A-4: Yes.

Q-7: Is it the intent of Article X to impose discipline on employees who fail to exercise seniority with 48 hours.

A-7: No, Section 1(b) provides that in these circumstances the employee will be assigned to the applicable extra board, seniority permitting. The employee will then be subject to existing rules and practices governing service on such extra board.

Q-8: Is this rule intended to expand upon the displacement rights of an individual so as to create situations not currently provided for in existing agreements and practices?

A-8: No.

Q-9: If an employee notifies the Carrier of their intent to displace beyond the 30 mile limit, can such employee notify the Carrier subsequent to the expiration of the 48 hour period of their desire to displace within the 30 miles?

A-9: No.

Q-10: How is the 30 miles limit to be measured - rail or highway?

A-10: Highway

Q-11: When does the 48 hour time period within which the employee must exercise displacement rights begin?

A-11: When properly notified under existing rules governing this situation.

ARTICLE IX - ENHANCED CUSTOMER SERVICE

Q-1: What is the intent of the parties with respect to the provision in paragraph (b) which states "..., the

Carrier will extend seven (7) days advance notice where practicable but in no event less than forty-eight (48) hours advance notice.

A-1: The intent was for the Carriers to routinely give as much advance notice as possible to the involved BLE General Chairmen(s) prior to implementation of the proposed service under paragraph (a).

Q-2: Should the Carrier notify the General Chairmen(s) in writing when and where it intends to establish

such service and identify the involved customer?

A-2: Yes, and such notification should include the specific rule(s) where relief or relaxation is requested.

Q-3: What will prevent the Carrier from routinely furnishing the minimum notice under the rule, i.e., 48

hours, prior to implementing the desired service?

A-3: The intent was for the Carriers to routinely give as much advance notice as possible to the involved BLE General Chairmen(s) prior to implementation of the proposed service under paragraph (a).

Q-4: Is it the intent of the parties that the Joint Committee referred to in paragraph © will be established and meet at the location where the proposed service is to be implemented?

A-4: The Committee will confer by whatever means are appropriate and practical to the circumstances, including telephonically.

Q-5: Can the Carrier require a yard crew from one seniority district to meet the service requirements of a customer if such customer is located in road territory in another seniority district on that Carrier

within the combination road-yard service zone?

A-5: The carrier's rights under this Article are limited to certain identified rules under defined circumstances, provided that the carrier has complied with all applicable requirements set forth

therein. Any carrier proposal under this Article which, in the opinion of the BLE President, is egregiously inconsistent with the intent of the rule will not be implemented without

conference between the BLE President and the NCCC Chairman.

Q-6: Does this rule permit the use of road crews to perform customer service within switching limits?

A-6: The carrier's rights under this Article are limited to certain identified rules under defined circumstances, provided that the carrier has complied with all applicable requirements set forth therein. Any carrier proposal under this Article which, in the opinion of the BLE President, is egregiously inconsistent with the intent of the rule will not be implemented without conference between the BLE President and the NCCC Chairman.

Q-7: Can the Carrier be considered a customer in the application of this rule?

A-7: The word "customer", as used in paragraph (a), was not meant to apply to the Carrier.

Q-8: Is there any limitation as to the number of miles a yard crew may be required to travel in road territory in order to provide the customer service contemplated by this rule?

A-8: Yes. Yard crews are limited to the minimum number of miles necessary to accomplish the service consistent with the spirit and intent of the parties.

Q-9: Where customer service can be accomplished by a road crew, is the Carrier within the Intent of the rule to establish the use of a yard crew to perform this work?

A-9: The Carrier's use of yard crews must meet the requirements of the rule.

Q-10: Does this Article IX supersede the Road/Yard Service zone established under Article VIII, Section 2(a) (iii) of the May 19, 1986 National Agreement or the agreed upon interpretations pertaining thereto?

A-10: No, this Article amends Article IX - Special Relief, Customer Service - Yard Crews of the BLE Implementing Document of November 7, 1991.

Q-11: Does Article IX contemplate the use of yard crews from one seniority district or Carrier to perform service for a customer which is located on the line of another Carrier?

A-11: It is not the intent of the rule to permit yard crews from one Carrier to substitute for yard crews of another unrelated Carrier.

Q-12: Are any employee protective provisions applicable to employees adversely affected by the institution of service under Article IX?

A-12: As set forth in paragraph (e).

Q-13: Does Article IX contemplate the establishment of split-shifts in yard service?

A-13: No.

Q-14: Paragraph (e) requires that the Carrier show a "bona fide" need for the rule relief requested or that it cannot provide the service at a "Comparable Cost" under the existing rules. Will the Carriers burden of proof in this regard be met simply by showing that the customer service can be accomplished at a reduced cost?

A-14: No, a carrier will also have to demonstrate compliance with Section 1(a).

Q-15: If a yard crew is providing particularized service to a customer under this rule, may the Carrier properly require the yard crew to provide service to other industries located in the area or along the line?

A-15: The carrier's rights under this Article are limited to certain identified rules under defined circumstances, provided that the carrier has complied with all applicable requirements set forth therein. Any carrier proposal under this Article which, in the opinion of the BLE President, is egregiously inconsistent with the intent of the rule will not be implemented without conference between the BLE President and the NCCC Chairman.

Q-16: May the Carrier use a road crew to provide service to a customer within the switching limits of a terminal?

A-16: The carrier's rights under this Article are limited to certain identified rules under defined circumstances, provided that the carrier has complied with all applicable requirements set forth therein. Any carrier proposal under this Article which, in the opinion of the BLE President, is egregiously inconsistent with the intent of the rule will not be implemented without conference between the BLE President and the NCCC Chairman.

Q-17: Will a yard crew used in accordance with this Article have its work confined solely to meet the specific service requirements?

A-17: The carrier's rights under this Article are limited to certain identified rules under defined circumstances, provided that the carrier has complied with all applicable requirements set forth therein. Any carrier proposal under this Article which, in the opinion of the BLE President, is egregiously inconsistent with the intent of the rule will not be implemented without conference between the BLE President and the NCCC Chairman.

Q-18: Can Employees of a Carrier who may be restricted by physical disabilities or for disciplinary reasons from performing road service on that Carrier be used to perform such service under this Article?

A-18: No.

Q-19: If a carrier fails to comply with the provisions of Article IX, what remedy is available to employees adversely affected by the carrier's implementation of its proposal?

A-19: The arbitrator is authorized to fashion a remedy appropriate to the circumstances under Section 1 (e)

ARTICLE X - DISPLACEMENT

Q-1: On those properties where employees have less than 48 hours to exercise displacement rights, are such rules amended so as to now apply a uniform rule?

A-1: No, the existing rules providing for less than 48 hours continue, unless the parties specifically agree otherwise.

Q-2: Is an employee displaced under Section 1, electing to exercise seniority placement beyond thirty (30) miles of the current reporting point, required to notify the appropriate crew office of that decision within 48 hours?

A-2: Yes.

Q-3: How is an employee covered by this Article handled who fails to exercise seniority placement within 48 hours?

A-3: Such employee is assigned to the applicable extra board, seniority permitting, pursuant to Section 1 (b) and subsequently governed by existing rules and / or practices.

Q-4: How long a period of time does an employee have to exercise displacement rights outside the boundaries specified in Section 1(a)?

A-4: The rules governing exercise of displacement rights as currently contained in existing agreements continue to apply in this situation.

Q-5: What happens if the employee notifies the Carrier that it is the employee's intent to displace outside of the 30 mile limit, then, after 72 hours, the employee is no longer able to hold that assignment?

A-5: A new 48-hour period begins.

Q-6: Is it intended that employees who fail to displace within 48 hours be assigned to an extra list where local or system agreements prohibit such assignment due to extra board restrictions and or seniority consideration?

A-6: See Section 1 (c) of Article X.

Q-7. Is it the intent of Article X to impose discipline on employees who fail to exercise seniority with 48 hours.

A-7: No, Section 1(b) provides that in these circumstances the Employee will be assigned to the applicable extra board, seniority permitting. The employee will then be subject to existing rules and practices governing service on such extra board.

Q-8: Is this rule intended to expand upon the displacement rights of an individual so as to create situations not currently provided for in existing agreements and practices?

A-8: No

Q-9: If an employee notifies the Carrier of their intent to displace beyond the 30 mile limit, can such employee notify the Carrier subsequent to the expiration of the 48 hour period of their desire to displace within the 30 miles?

A-9: No.

Q-10: How is the 30 miles limit to be measured - rail or highway?

A-10 Highway.

Q-11: When does the 48 hour time period within which the employee must exercise displacement rights begin?

A-11: When properly notified under existing rules governing this situation.