AGREEMENT

BETWEEN

FLORIDA EAST COAST RAILWAY COMPANY

AND

ELECTRICIANS AND MACHINISTS

REPRESENTED BY LOCAL UNION 871 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

EFFECTIVE DATE: MARCH 1, 2024

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PREAMBLE

The parties to this agreement acknowledge that the fundamental objective of the railway, its management, and its employees is to provide service to its customers in the most efficient manner. To accomplish this objective, it is further acknowledged that the motive power and the related equipment of the railway must function as designed, with a minimum of interruption. Accordingly, the parties agree that, in the implementation of this agreement, paramount emphasis shall be placed on providing efficient and economical workmanship in the maintenance of railway equipment.

The Organization, in the implementation of this agreement, has its rights as are specified herein, as well as rights granted by law. The Company's rights in the control and direction of its forces covered by this agreement are limited only to the extent provided by this agreement and law.

RULE 1 - SCOPE

(a) This agreement is intended to define the understanding between the Company and the International Brotherhood of Electrical Workers, henceforth known as the "Organization," as it relates to the employee/employer relationship of the classifications outlined herein.

(b) Employees covered by this agreement will be furnished copy hereof and these rules shall govern rates of pay, rules, and working conditions of employees assigned by the Company to job classifications listed in paragraph (e).

(c) Employees covered by this agreement shall perform any work assigned them by the Company, including work not normally performed by them in the job classifications to which the Company has assigned them. However, it is understood that the Company shall not assign employees to perform work~~,~~ which they are not qualified to perform.

(d) Nothing in these rules shall limit or be construed to restrict or suppress the right of the Company to contract work (including work normally performed by employees assigned by the Company to job classifications listed in or added to paragraph [e]) to independent contractors of

the carrier's sole selection; however, such utilization of outside contractor employees on the property will not be to the extent that employees who were on the master seniority roster on December 1, 2023, will be adversely affected.

Note 1: While it is not the carrier's intention to contract work as a basis for laying off or to avoid recalling furloughed employees, it is recognized that contracting of such work may be necessary notwithstanding the provisions of the foregoing paragraph in cases of large or one-time projects which are of a scope, urgency, or complexity that cannot be completed in a timely or competitive basis even with the use of furloughed personnel. In the event the Company seeks to contract work under these circumstances, the Company will advise the General Chairman in advance and fully explain the business case for entering into such arrangement. The Organization may, within ten (10) days of being informed of the subcontracting, request a meeting to discuss the matter.

Note 2: In addition thereto, the Company shall have the right during periods not contemplated by the above paragraph to have Company exempt employees perform work normally performed by employees covered by this agreement.

Note 3: The term "Adversely Affected" as used herein is defined as "furloughed from active service account the use of sub-contractors".

(e) Job classifications covered by this agreement are as follows. These job classifications may be eliminated, consolidated, or added to by the Company as the requirements of the service demand.

(1) Machinists, whose work consists of laying out, fitting, adjusting, shaping, boring, slotting, milling, and grinding of metals used in building, assembling, maintaining, and dismantling, locomotives and engines, pumps, cranes, hoists, elevators, and pneumatic and hydraulic tools and machinery; shafting and other shop machinery; ratchet and other skilled drilling and reaming; tool and die making; tool grinding and machine grinding; axle truing; axle, wheel, and tire turning and boring; engine inspecting; air equipment, lubricator, and injector work; oxy-acetylene, thermit, and electric welding on work generally recognized as machinists' work; including drill presses and bolt threaders using a facing, boring, or turning head or milling apparatus; and all other work generally recognized as machinists' work.

Machinists, whose work includes pipefitting in shop yards, shop buildings, engines, and locomotives; building, erecting, assembling, installing, dismantling for repairs, and maintaining parts of sheet copper, brass, tin, zinc, monel and white metal, lead, black planished, and pickled and galvanized iron of ten gauge and lighter, including brazing, soldering, tinning, and leading; bending, fitting, cutting, threading, brazing, connecting, and disconnecting of air, water, gas, oil, and steam pipes; the operation of pipe threading machines; and oxy-acetylene, thermit, and electric welding on work recognized as sheet metal workers' work.

(2) Electricians, whose work consists of maintaining, repairing, rebuilding, inspecting, and installing all wiring of generators, ATC alternators, switchboards, meters, motors and controls, rheostats and controls, motor generators, electric headlights, electric welding machines, storage batteries, axle lighting equipment, electric lighting fixtures, electric cables, and electric tractors and trucks; winding armatures, fields, magnet coils, motors, transformers, and starting compensators; inside and outside wiring at shops, buildings, yards, and on structures and all conduit work in connection therewith, including electric locomotives, cable splicing, high-tension power house and substation operation, and maintenance of pole lines and supports for service wires and cables, overhead and underground, together with their supports; all outside wiring in yards; generator attendants; motor and substation attendants who start, stop, oil, and keep their equipment clean and change and adjust brushes for the proper running of their equipment; power switchboard operators; and all other work generally recognized as electricians' work in the mechanical department.

(f) 1. The parties agree that the Company's competitiveness is enhanced by the ability to utilize mechanical employees on a composite basis when service requirements and employee qualifications enable it to do so. This increased efficiency and competitiveness also results in greater job security for such mechanical employees. The job classification of any Mechanical Department agreement-covered position shall be determined by the predominance of work normally performed by such position and, if applicable, the shop involved.

2. Employees utilized in another classification for which qualified on an incidental basis are entitled under pre-existing provisions of the agreement to payment of the highest rate of pay for the entire tour of duty. This new rule shall be construed to permit the Company to establish regular assignments on which the occupant will be routinely assigned to perform work in more than one classification (e.g., Machinist and Carmen) during its tour of duty, or which performs the work of different classifications on different days of the week. This intended composite use of the assigned employee must be specified in the assignment bulletin, which will generally outline the intended use, and the successful bidder must possess the required qualifications for all of the classifications involved (See Section 5 below). Employees so assigned will be paid the highest rate of pay of any of the classifications involved and, in addition, shall be paid an additional twenty-five (25) cents per hour for all hours worked on such assignment. Pay will be calculated on this basis whether or not, on a particular day, the assigned position performs work in both classifications.

3. Positions established under the foregoing provisions shall be advertised as "Composite Mechanic", which is defined to be a position which is advertised with Carman and Locomotive Shop qualifications.

4. As a means of encouraging and expediting qualification of employees for Composite Mechanic positions, the Carrier may establish a training position at Miami, New Smyrna Beach, and Bowden, which will be advertised as "Composite Trainee". These positions may be bid by any employee who does not possess all qualifications necessary for assignment to a Composite Mechanic position, and will be assigned on the basis of master seniority. Assignments will be made for a period of 120 days, at the conclusion of which the occupant will return to their former assignment and the position will be advertised anew to other applicants. During this 120-day period, the successful applicant will be trained in the classification which is lacking for assignment as a Composite Mechanic. Pay while on such assignment shall be on the basis of rate of pay for the employee's former classification. So long as there are applicants for such positions, such training positions shall be continued.

5. Employees who have successfully completed training on one of these Composite Trainee positions shall be entitled to bid for positions of Composite Mechanic on the basis of their relative master seniority, and shall have an opportunity to demonstrate their ability to qualify therefor in accordance with Rule 8. The parties will meet and reach mutual local understanding setting forth details regarding implementation of this provision. Vacancies on Composite Trainee positions may or may not be filled, to be determined by local management based upon need and current economic conditions.

6. The above provisions are dependent upon like provisions being adopted in agreements covering the other mechanical classifications. Once achieved, the parties commit to exert their best efforts to implement these provisions, and to meet promptly to resolve any unforeseen issues that may arise as a result of this change.

(g) Leadman

Requirements and Qualifications

The Carrier may select from the workforce on each shift "Leadman in accordance with the requirements of service. In making this selection, Carrier should consider seniority first but my also consider other factors. This selection will require the mutual agreement of the Company and the General Chairman.

Duties and Responsibilities

There shall be a Lead-Man assigned to each shift where there is no other supervision on duty, unless managements determines requirements of service require additional Lead-man support.

Responsibilities are as follows:

Perform his regularly bulletin position duties, conduct job briefing, monitor operations while on duty, assist the Foreman of Supervisor in relaying directives, advise the Yardmaster when coming on duty of his position as Lead-man, if Lead position should change during the tour of duty notify the Yardmaster, call the Foreman or Supervisor should an unusual problem arise.

Note: The number of Lead-man positions shall not have an adverse affect on the current number of Maintenance of Equipment Foreman at any location.

RULE 2 - REPRESENTATION

(a) The Company recognizes the Organization as the sole and exclusive bargaining agent with respect to rates of pay, wages, hours, and all other working conditions of employment for all employees covered by this agreement.

(b) The term "employee" as used in this agreement shall mean all classification of worker listed within the scope of this agreement represented by the IBEW.

(c) The Organization shall be granted reasonable access to the property of the Company for the sole purpose of investigating grievances with the appropriate supervisor, representing employees in hearings or investigations scheduled by the Company, or to confer with officials of the Company at advanced scheduled meetings.

This permission is not to be interpreted as authorizing the Organization the right to confer with or in any way interrupt the work of employees while they are on duty or to engage in Organizational activities.

(d) Employee representatives, when called to attend to the affairs of their offices, shall give twenty (20) hours' advance notice of their intent to be absent from their assignment for such purpose, but will not be required to have a leave of absence, unless the time required off shall exceed ten (10) days. Further reasonable time off will be granted upon written request to the appropriate supervisor.

(e) Employee representatives, who are employed by the Organization on a full-time basis, will receive blanket leave of absence to cover the time so engaged and will retain their seniority if they claim rights to a position in accordance with their seniority within thirty (30) days from the date released from such assignment.

(f) Employees shall be required to maintain membership in the Organization signatory to this Agreement as set forth in Appendix 1, which is incorporated into the Agreement by reference. The Company will accept from employees, or the Organization, authorizations for payroll deduction of union dues.

It is understood that such payroll deduction authorization is limited to the International Brotherhood of Electrical Workers, as that Organization is presently constituted. "Presently constituted" does not have any reference to the individuals elected by the employees to positions with the Organization.

Payroll deductions will be made semimonthly in equal amounts, with payment to be made to the Organization on the last day of the month.

(g) A full time General Chairman who retains his seniority with the Florida East Coast Railway Company, will, upon written request, be permitted to secure benefits the same as those provided by the Company's group plan for hospitalization as per Rule 41, provided such individual pays in advance each month the premium cost for himself and other family members involved.

(h) For vacation purposes, qualifying days for a General Chairman who has been granted a leave of absence for purposes of conducting union business will be based on whether or not he performed compensated service of one hundred (100) days in the calendar year preceding the year in which the leave of absence was taken. He may return to his former position or place himself on any position bulletined during the leave that he would have been entitled.

The Company will provide the General Chairman a list of employees who retire, die, resign, or employees promoted, hired, or terminated with home addresses and telephone numbers.

In the event a full time General Chairman returns to active service with the Company, he shall immediately be entitled to all benefits as if service had been continuous.

RULE 3 - INTERPRETATIONS

Interpretations and rulings upon the application of the rules in this agreement will not be valid or recognized unless such interpretations have been mutually agreed upon in writing between the company and the organization, with the exception of public law boards, arbitrations, court rulings, etc.

RULE 4 - TIME LIMITS

The time limits provided in this agreement may be extended by mutual agreement.

RULE 5 – SENIORITY

(a) Master seniority date for new employees will be established as of the date of rendering compensated service.

Groups of employees who are hired on the same date establish master seniority in the following manner:

1. There will be a blind drawing of numbers of ping-pong balls. The carrier will place ping-pong balls in a sack and each ping-pong ball will have a number. Two drawings will take place.

2. The first drawing will establish order of draw and the second drawing will establish seniority order.

(b) The seniority dates of employees established prior to execution of this agreement will not be changed by this agreement.

(c) Sub-classifications will be established and employees will be permitted to establish seniority in one (1) or more sub-classifications. Classifications of the master seniority group will be made in accordance with job classifications. Employees who qualify in additional sub-classifications will be annotated on seniority lists in accordance with their individual qualifications at such time as they demonstrate those qualifications and are approved by the supervisory officer in charge.

A seniority date on sub-classification seniority lists will correspond with the seniority date of the individual involved on the master seniority list, i.e., each individual employee having only one (1) seniority date, irrespective of the time that he qualifies for entry upon a given sub-classification seniority list. This will not prevent employees from qualifying for two (2) or more sub-classification seniority lists.

(d) To qualify for a sub-classification seniority list, an employee must acquaint himself with the work and demonstrate his qualifications to the supervisory officer in charge. The Company will give those desiring to qualify for another sub-classification seniority list an opportunity to learn the work and requirements of such group, subject to the requirements of service and in seniority order. Exceptions to training in seniority order may be made at the discretion of the Highest Designated Officer after consultation with the General Chairman.

When an employee considers that he is qualified for promotion, he may demonstrate his abilities to the Company's supervisor in charge, together with the Organization's representative at the location involved. If the employee demonstrates, to the satisfaction of both the Company supervisor and the Organization's representative, they both sign the appropriate qualification form following which it will be submitted that he is qualified for the promotion, then a designated Company official who, in turn, will have the employee demonstrate his qualifications and pass a written test relating to the job classification before he is accorded seniority in an additional sub-classification. Qualifications in each sub-classification will be accomplished in the same manner. If the Parties cannot agree on the issue of qualification, then the Carrier may implement its decision and the Organization may grieve under Rule 13.

(e) The Company may, as requirements of the service dictate, establish new sub-classification seniority lists or may consolidate existing sub-classification seniority lists. However, it is understood that the Company will notify the General Chairman of its desire to add additional sub-classifications as soon as practical. In the event the Company and the Organization are unable to agree, the Company will implement its provisions and the Organization may grieve in accordance with Rule 13.

When consolidations are made, a consolidated sub-classification seniority list will be issued, listing the employees in seniority sequence in accordance with master seniority. When divisions are made, a separate sub-classification seniority list for each sub-classification will be issued, listing employees in master seniority sequence on each new sub-classification.

It is hereby agreed that any changes made to seniority sub-classifications will be by mutual agreement of the parties hereto.

(f) Sub-classification seniority lists employees covered by this agreement are as follows:

Electricians
Machinists

In the event qualified personnel cannot be employed when vacancies occur in the crafts covered by this agreement, non-qualified individuals may be employed. Non-qualified employees will be placed on the master seniority roster as of the date so specified in paragraph (a) hereof without qualifications being shown. As each employee qualifies in his craft, the roster will be appropriately annotated to indicate such qualifications.

(g) Employees may acquire qualifications in additional sub-classifications, the seniority date in each sub-classification to be the master seniority date.

To establish seniority in an additional sub-classification, the employee involved must acquaint himself with the work and demonstrate his qualifications to the supervisory officer in charge without expense to the Company. The Company will give those desiring to qualify for seniority in additional sub-classifications an opportunity to learn the work and requirements of such additional sub-classifications.

Nothing in these paragraphs is to be construed or interpreted to in any way restrict or deny any employee from establishing seniority in any sub-classification of his choosing nor shall these paragraphs revise or restrict application or operation of the work rules as presently in force or amended.

(h) The term “promotion” as used in this agreement shall be understood to mean advancing an employee from one seniority class to a higher seniority class in which he does not hold seniority, but does not include excepted or official positions.

(i) An employee of the Company covered by this agreement, promoted to an excepted or official position with the Company or accepting such position with the Organization party hereto, will retain and continue to accrue his seniority rights and shall be so indicated on seniority lists.

They may exercise displacement rights as provided in this agreement in the event their official positions are abolished or they are demoted therefrom; however, if they voluntarily relinquish such positions, they may exercise their seniority rights only by bidding on vacancies or new positions.

(j) Additionally, employees may apply for vacancies in other crafts represented by the IBEW, and if selected by the Company to fill such vacancy, retain, but not build their seniority in this craft. In other words, if the employee applies for and is selected by the Carrier to fill the vacancy, the employee will retain their seniority in this craft, but the seniority will be frozen and will not accrue under this agreement. In the craft the employee moves to, he will be shown on that seniority roster in the same manner as new employees coming to work in that craft.

It is understood that in making application to fill a vacancy covered by another FECR/IBEW CBA, the employee's actual hire date applies only to qualifying for vacation. The original hire date will not be used for vacation selection rights as that is typically accomplished by hire date, as most employees have the same hire and seniority date, in the craft the employee moves to.

For all other circumstances covered in the craft the employee moves to, all references to hire dates will be considered the seniority date the employee establishes in his "new craft." As example, under Rule 9 – Probationary Period, the seniority date of the employee in the craft the employee moves to is considered his actual hire date for the provisions of Rule 9.

RULE 6 - SENIORITY ROSTERS

(a) Seniority rosters will be published in January of each year with appropriate indices to reflect those sub-classifications, where applicable, in which each employee has established seniority. The Company may, as requirements of the service dictate, establish new classification seniority lists or may consolidate existing sub-classification seniority lists.

(b) Seniority dates of all employees shown will be considered as permanently established, except as may be corrected upon presentation of proof of such error.

(c) Seniority rosters will be posted on bulletin boards accessible to all employees affected and copy of the list shall be furnished the Organization.

(d) Employees retiring on disability annuity under provisions of the Railroad Retirement Act, or those barred from active service account of physical disability, will continue

on the seniority roster until they reach retirement age under the Act. When retirement age is reached, their names will be dropped from the roster.

(e) Employees on disability annuity who recover to the extent that the Railroad Retirement Board discontinues their annuity, or they are pronounced physically able to resume work after having been barred account of physical disability, will be permitted to exercise their seniority on positions held by junior employees.

RULE 7 - CONSOLIDATIONS AND DIVISIONS

(a) When, for any reason, offices or departments are consolidated or divided, employees affected shall have prior rights to corresponding positions in the consolidated or divided office or department. After such rights have been exercised, these rules will govern in accordance with Rule 5.

(b) Employees may follow their positions or work when same is transferred. The incumbents will have prior rights to the positions to be transferred if they elect to accompany same.

Those electing not to follow their positions and work may exercise their seniority rights over any junior employee that they are qualified to displace in accordance with Rule 10 and their positions will be bulletined.

(c) This rule is not intended to supersede Rule 5.

RULE 8 - QUALIFYING

(a) Employees will be allowed one hundred and eighty (180) working days in which to qualify and, failing, shall retain all their seniority rights, may bid on any bulletined position or displace any regularly assigned junior employee. In the event the Company and the Organization are unable to agree, the Company will implement its position and the Organization may grieve in accordance with Rule 13.

An employee who fails to qualify on a temporary vacancy may immediately, but in no case more than forty-eight (48) hours, return to his regular position.

(b) When it is definitely determined that the employee cannot qualify, he may be removed before the expiration of one hundred and eighty (180) working days.

An employee disqualified from a position or class of work will be barred from bidding upon or exercising his seniority rights to that position or class of work for a period of six (6) months from the date of disqualification.

(c) After an employee has been assigned to and performed actual service on a position in excess of one hundred eighty (180) working days, disqualification from the position may be effected only if a formal investigation is conducted under the provisions of Rule 12 and the evidence adduced thereby supports such action.

(d) Employees who are disqualified under this rule shall return to their former position, if they have seniority to hold it. If it is occupied by a senior employee, they shall exercise seniority to any job that was advertised during their absence from their former assignment. If none, they shall be given a full exercise of seniority.

RULE 9 - PROBATIONARY PERIOD

(a) An applicant for employment~~,~~ who enters the service of the Company will be accepted or rejected within one hundred and eighty (180) days from the date he first performs compensated service. Additionally, the applicant must pass a written exam within the same one hundred eighty (180) days.

Upon satisfactory completion of the written exam, the applicant will commence a twelve (12) month training period and at the end of the twelve (12) month period must satisfactorily demonstrate his qualifications to a supervisory officer and the Organization. Should the employee satisfactorily pass the field test, he will be given a seniority date back to the date he first performed compensated service with the Company; however, failing to pass he will be disqualified from the active service of the Railway without benefit of a formal investigation. Should the Organization and the Company disagree on the results of the failed test, the employee will be disqualified, subject to appeal.

Each new employee shall be evaluated during the 12-month training period at three (3), six (6), nine (9) and twelve (12) month intervals, and copy of written evaluation will be afforded the individual.

(b) An employee who has been accepted for employment in accordance with section (a) above, will not be terminated or disciplined by the Company for furnishing materially false information in connection with an application for employment or for withholding information therefrom unless the information involved was of such a nature that the employee would not have been hired if the Company had timely knowledge of it. In the event an employee is found to have provided materially false information, the 180-day time limit will not apply and the Carrier may affect termination without benefit of a formal investigation. Should this occur, the HDO and the General Chairman will conference prior to the Carrier taking any adverse action against the employee.

RULE 10 - REDUCING FORCES

(a) When it becomes necessary to reduce expenses, the force at any point or in any department shall be reduced, master seniority to govern.

(b) Seven (7) calendar days' notice will be given, except no advance notice will be required under emergency conditions such as flood, snowstorm, hurricane, earthquake, fire, strike, or Acts of Providence, provided the Company's operations are suspended in whole or in part and, provided further, that because of such emergency, the work which would be performed by the incumbents of the positions to be abolished or the work which would be performed by the employees involved in the force reduction no longer exists or cannot be performed.

(c) Employees whose positions are abolished, or whose master seniority rights entitle them to regular positions or vacancies, shall assert their seniority rights over junior employees or onto vacant positions within five (5) calendar days; other employees affected may exercise their seniority rights in the same manner.

Employee must extend a minimum of twenty (20) hours' written notice to the Human Resources office, identifying the position on which he desires to assert such displacement rights, provided further, however, that when such displacement is effective on the first (1st) workday of the workweek of the affected employee, sufficient notice must be extended so that employee may be notified prior to going off duty on the last day of his workweek.

Employees absent account vacations, leave of absence, or physical disability, whose positions have been disturbed during such absence by the exercise of senior employees as provided herein, may exercise their seniority on positions held by junior employees if application is made and handled as provided within 5 calendar days from termination of such vacation, leave of absence, or recovery from physical disability. Likewise, employees who have been absent for causes stated herein may exercise displacement rights on new positions and vacancies which have been filled during their absence, but in so doing must following procedures outlined herein.

(d) During such five (5) day period, however, an employee may, if he desires, displace junior employees holding short vacancies or fill open short vacancies and remain thereon for their duration or until displaced by a senior employee, provided that, upon release or displacement from the last short vacancy secured during such five- (5) day period, he exercises displacement rights over any junior employee holding a permanent or temporary vacancy.

In the event such displacement rights are not exercised within such five (5) day period, he will be considered furloughed immediately and will be barred from again asserting displacement rights until return to service as herein provided.

(e) An employee will not be considered as having been displaced until the employee asserting displacement rights on his position has assumed the duties of the position.

(f) When two (2) or more positions are abolished on the same day, the employees affected will be given preference in exercising displacement rights in the order of their seniority.

(g) Employees who do not possess sufficient seniority to displace a junior employee or who do not assert their displacement rights to a vacant position within the prescribed time limit will be considered as furloughed.

(h) An employee desiring to protect his seniority rights and to avail himself of this rule must, within five (5) days from the date actually reduced to the furloughed list, file their names and addresses with the Human Resources office, and the Organization, or forfeit his seniority rights and be terminated by the Company. The employee will be required to promptly advise the Human Resources office of any changes in address or telephone number or forfeit all seniority rights and be terminated by the Company.

(i) When forces are increased or vacancies occur, furloughed employees shall be returned, and required to return, to service in the order of their seniority rights.

(j) Furloughed employees will be called in qualification and seniority order as vacancies might develop. In the event all employees decline such vacancy, the junior furloughed employee will be forced to the vacancy.

Any employee, declining vacancies and, as a result, performing no service for the Company for a period of one (1) year, shall be considered as having forfeited his seniority with the Company and will be terminated by the Company. In this instance, "declining vacancies" is defined as failing to respond to advertisements for regular assignments and/or failing to work in an "extra board or relief work" capacity available to the employee.

(k) Furloughed employees failing to return to service within seven (7) calendar days after being notified by mail sent to the last address given, or give satisfactory reason for not doing so, will be considered as having forfeited his seniority.

(l) The Company shall have the right to use furloughed employees to perform extra and relief work on regular positions during absence of regular occupants, provided such employees have signified in the manner provided in the second paragraph hereof their desire to be so used. This provision is not intended to supersede rules or practices which permit employees to place themselves on vacancies on preferred positions, it being understood under these circumstances that the furloughed employee will be used, if the vacancy is filled, on the last position that is to be filled. This does not supersede rules that require the filling of temporary vacancies. It is also understood that the Company retains the right to use the regular employee under pertinent rules of the agreement rather than call a furloughed employee.

Furloughed employees desiring to be considered available to perform such extra and relief work will notify the Human Resources office in writing that they will be available and desire to be used for such work. A furloughed employee may withdraw his written notice of willingness to perform such work at any time before being called for such service by giving written notice to that effect to the Human Resources office. If such employee should again desire to be considered available for such service, notice to that effect, as outlined hereinabove, must again be given in

writing. Furloughed employees who would not at all times be available for such service will not be considered available for extra and relief work under the provisions of this rule. Furloughed employees so used will not be subject to rules which require advance notice before reduction of force.

(m) Furloughed employees desiring to waive their right to return to service on positions or vacancies of less than thirty (30) days' duration may do so by filing written notice to the Human Resources office, and, if other qualified employees are available, such furloughed employees will not be required to return to service on vacancies or positions of less than thirty (30) days' duration, except as outlined in item (j) above.

Such notices may be cancelled or terminated by the employees in the same manner and, in the event it becomes necessary for the Company to cancel a waiver, it will be done in the reverse order of seniority, with the waiver of the junior qualified employee being the first to be cancelled.

Note 1: Employees who are on approved leave of absence will not be considered furloughed employees for purposes of this agreement.

Note 2: Furloughed employees shall in no manner be considered to have waived their rights to a regular assignment when opportunity therefore arises.

Note 3: Furloughed employees working short vacancies will have health care claims offset, month-by-month, for hours worked. Furloughed employees will be carried on the health care insurance for a forty-five (45) day period from the date furloughed. Subsequently, if an employee who works a minimum of sixty (60) hours per month, he will have medical coverage for that month. Should a furloughed employee not meet these criteria, he will not qualify for health care coverage.

RULE 11 - RE-ENTERING SERVICE

Employees voluntarily leaving the service will forfeit seniority and will be terminated and, if they re-enter, be considered as new employees.

RULE 12 - DISCIPLINE

(a) An employee will not be disciplined or dismissed without a fair and impartial hearing, except, unless such employee shall accept discipline in writing and waive formal hearing. Discussion of the waiver shall not constitute an admission of guilt by the employee or prejudgment by the Company and may not be made part of the hearing record.

(b) In cases such as intoxication, either on duty or reporting for duty, use of drugs, either on duty or when reporting for duty, insubordination, or conduct in the performance of his

job which endangers the safety of fellow employees or interferes with the operations of the Company, employees may be suspended pending final decision.

(c) If an employee is held out of service pending a hearing and decision and if discipline is assessed, the period so held from service shall be deemed to be included in any disciplinary period thereafter involved, exclusive of any time which may be involved as a consequence of delays incurred at the request of the employee.

(d) Notice of such hearing, stating the charge or charges, will be transmitted, or mailed to the employee, in writing, at least five (5) days prior to such hearing. At this time the employee will be furnished with a form which he must sign advising that he does or does not desire representation. If the employee signs, acknowledging that he desires representation, the Company will provide appropriate documentation. If the employee initially signs advising that he does not desire representation, he will be given an additional opportunity for such representation at commencement of the investigation. Should the employee at that time elect to have representation, the investigation will be postponed in order that he may secure appropriate representation. Should the employee again state that he does not desire representation, he will be requested to again sign the form advising that he does not desire representation, copy of which will be sent to the Organization.

(e) Notice of the hearing to the employee shall be considered as being accomplished when a certified envelope is mailed or the notice is emailed to the employee and the five (5) day period will be counted from the time and date stamped by the U. S. Post Office.

(f) The Company shall furnish the General Chairman or Committeeman copies of the employee's service record, the charge letter, and all documentation to be presented at the hearing at least twenty-four (24) hours prior to the hearing upon written notification by the employee that the Organization is representing the individual. Carrier will also mail notice to General Chairman. When possible, such documentation will be furnished to the local or General Chairman electronically, via email address on file in Human Resources.

(g) The employee, or his representative, will supply the Company with copy of all documents which he intends to use at the investigation/hearing a minimum of twenty-four (24) hours in advance. These documents may be furnished to Human Resources electronically via email, to the email address furnished to the Organization.

(h) The hearing shall be held within twenty-one (21) calendar days, if circumstances permit, from the time the Company has knowledge of the offense under investigation, unless it has been postponed by request either of the employee, the duly authorized representative, or the Company. Either party may postpone the hearing at their discretion with at least twenty-four (24) hours' notice, however, there will be no more than two (2) postponements by either party unless by mutual agreement.

If an employee is absent from duty on leave of absence or vacation and cannot be charged within the twenty-one- (21) day period, said period will be extended to cover the duration of his absence plus seven (7) calendar days after his return to active duty.

(i) If the hearing is not held within the specified time, no action will be taken by the Company on the charge and no notation shall be entered on the employee's record.

(j) The employee shall have reasonable opportunity to secure the presence of necessary witnesses and shall have the right to be represented by the duly authorized committee. The employee charged and the duly authorized representatives shall have the right to be present throughout the entire hearing and shall be permitted to examine and cross-examine all witnesses.

(k) The hearing will be held at the charged employee's headquartered city or the location where the alleged incident occurred, unless an alternative site is mutually agreeable to the hearing officer and the duly authorized representative.

(l) The hearing officer will not testify as a witness and his sole duty at the hearing will be to conduct the hearing in a fair and impartial manner.

(m) Except as to records which have been notarized, no oral testimony taken or furnished at any time or place other than during the investigation will be recorded in the transcript.

(n) True and correct tape recordings will be taken by the Company at all investigations held under this rule and shall be considered the official transcript. In the event a question arises concerning the transcript of testimony, the employee, or his representative, may make arrangements with management to review the tape recordings during normal business hours.

(o) Unless otherwise agreed by the parties to the proceeding, investigations will not be conducted for more than six (6) hours in a calendar day, exclusive of short recesses, which will be granted.

(p) The decision shall be rendered and transmitted in writing to the employee, with copy to the duly authorized representative, within twenty-one (21) calendar days after completion of the hearing, except when an employee is held out of service pending investigation, in which case the decision must be rendered within ten (10) calendar days. If a decision is not rendered within the specified time, no action will be taken by the Company and the employee's record will be cleared.

(q) An electronic transcript will be made of the hearing and a copy shall be furnished the duly authorized representative at the time a decision is rendered to the email address on file with Human Resources.

(r) If discipline is not assessed, all correspondence and reference to the charges and formal hearing will be cleared from the employee's record.

(s) An employee dissatisfied with the decision of the charging officer shall have the right to appeal, either in person or through a duly authorized representative, provided written claim or grievance is presented directly to the Chief Mechanical Officer within sixty (60) days of date of receipt of action being appealed. If his decision is not satisfactory, the appeal will then be submitted to the highest officer of the carrier designated to handle disputes under the Railway Labor Act within sixty (60) days from the date of receipt of the decision rendered. Other preliminary appeal steps are waived. Except as provided in this paragraph, the provisions of the applicable time limit on claims rules govern.

(t) Following appeal, if the final decision determines that the charge against an employee is not sustained or the discipline is excessive, the record shall be cleared or the discipline reduced or modified. If suspended or dismissed, the employee shall be reinstated promptly with seniority rights, vacation, and fringe benefits and rights unimpaired, and shall be made whole for all wage losses incurred during the time period of discipline is held to be improper or excessive.

(u) If by reason of such un-sustained charge the employee has been removed from the position he held, reinstatement will be made to his former position, provided a senior employee, because of force reductions or under his displacement rights, has not been awarded such former position in the interim, or it has not been abolished, and will be compensated for the net wage loss incurred during the time period of discipline, less any amount he may have earned in or out of the service of the Company during such time.

If the position has been abolished or if a senior employee, because of force reduction or under his displacement rights, has been awarded the position of the reinstated employee, the latter shall place himself in a position in accordance with his seniority rights in the same manner that he would have exercised such rights had he not been out of the service and will be compensated for the net wage loss incurred during the time period of discipline, less any amount he may have earned in or out of the service of the Company during such time.

The amount of wage loss as specified in paragraphs (t) and (u) above shall be determined by adding the total net wages for the three active employees immediately above and below the employee as he stands on the seniority roster and then obtaining an average of that sum.

(v) Efficiency will be maintained by written reprimand, suspension (which may be deferred), or dismissal from the service. The Company may also assess additional training classes or behavioral seminars in lieu of or in addition to suspended days.

Any employee may examine his own record at the Human Resources office during normal business hours, but the record will be open to none other, excepting the general officers of the Company.

RULE 13 - CLAIMS AND GRIEVANCES

(a) All claims or grievances must be presented in writing or electronically via email, on behalf of the employee involved to the Chief Mechanical Officer within sixty (60) days from the date of the occurrence on which the claim or grievance is based. Claims filed direct by employee may only be presented in writing and are subject to the same sixty (60) day time limit.

Should any such claim or grievance be disallowed, the Company shall, within sixty (60) days from the date same is filed, notify whoever filed the claim or grievance (the employee or his representative) in writing of the reasons for such disallowance. If not so notified, the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Company as to other similar claims or grievances. The Carrier and the Organization agree to establish a set of procedures to electronically transmit claims and grievances.

(b) If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within sixty (60) days from receipt of notice of disallowance and the representative of the Company shall be notified in writing within that time of the rejection of his decision. Failing to comply with the provision, the matter shall be considered closed, but this shall not be considered as a precedent or waiver of the contentions of the employees as to other similar claims or grievances. It is understood, however, that the parties may, by agreement, at any stage of the handling of a claim or grievance on the property, extend the sixty- (60) day period for either a decision or appeal, up to and including the highest officer of the Company designated for that purpose.

(c) The requirements outlined in paragraphs (a) and (b) pertaining to appeal by the employee and decision by the Company shall govern in appeals taken to each succeeding officer, except in cases of appeal from the decision of the highest officer designated by the Company to handle such disputes. All claims or grievances involved in a decision by the highest designated officer shall be barred unless within nine (9) months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group, or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3, Second, of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the nine- (9) month period herein referred to.

(d) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under this rule, be fully protected by the filing of one (1) claim or grievance based thereon as long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than sixty (60) days prior to the filing thereof. With respect to claims and grievances involving an employee held out of service in discipline cases, the original notice of request for reinstatement with pay for time lost shall be sufficient.

(e) This rule recognizes the right of representatives of the Organization party hereto to file and prosecute claims and grievances for and on behalf of the employees represented.

(f) This agreement is not intended to deny the right of the employees to use any other lawful action for the settlement of claims or grievances, provided such action is instituted within nine (9) months of the date of the decision of the highest designated officer of the Company.

(g) This rule shall not apply to requests for leniency.

(h) All conferences between the local officials and the local committee will be held during regular working hours without loss of time to the committeemen.

(i) The Company will not in any way discriminate against employees, or any committee of employees, who are from time to time selected to represent their respective crafts.

(j) Prior to assertion of grievances as herein provided and while questions of grievances are pending, there will neither be a shutdown by the employer nor a suspension of work by the employees.

RULE 14 - WORKDAY AND WORKWEEK

(a) Eight (8) hours, exclusive of the meal period, shall, under the provisions hereinafter set out, be the regular workday. A forty- (40) hour week shall, under the provisions hereinafter set out, be the regular workweek. Regular workday and workweek hours shall be bulletined. All employees coming under the provisions of this agreement, except as otherwise provided in this schedule of Rules or as may hereafter be legally established between the Company and the employees, shall be paid on an hourly basis.

(b) The expressions "positions" and "work" refer to service, duties, or operations necessary to be performed the specified number of days per week and not to the workweek of individual employees.

(c) A workweek of forty (40) hours, shall consist of five (5) days of eight (8) hours each, with two (2) consecutive days off in each seven (7); the workweeks may be staggered in accordance with the Company's operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing workweek Rule is subject to the provisions which follow.

(d) Five- (5) day positions. On positions, the duties of which can reasonably be met in five (5) days, the days off will be Saturday and Sunday.

(e) Six- (6) day positions. Where the nature of the work is such that employees will be needed six (6) days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.

(f) Seven- (7) day positions. On positions which are filled seven (7) days per week, any two (2) consecutive days may be the rest days, with the presumption in favor of Saturday and Sunday.

(g) Regular relief assignments. All possible regular relief assignments with five (5) days of work and two (2) consecutive rest days will be established to do the work necessary on rest days of assignments in six- (6) or seven- (7) day service, or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under individual agreements.

Assignments for regular relief positions may on different days include different starting times, duties, and work locations for employees of the same class, provided they take the starting time, duties, and work locations of the employee or employees whom they are relieving.

(h) Deviation from Monday-Friday week. If in positions or work extending over a period of five (5) days per week an operational problem arises which the Company contends cannot be met under the provisions of paragraph (c) of this Rule and requires that some of the employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, if the parties fail to agree thereon and the Company nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim under the Rules of the agreement.

(i) Non-consecutive rest days. The typical workweek is to be one with two (2) consecutive days off and it is the Company's obligation to grant this. Therefore, when an operating problem is met which may affect the consecutiveness of the rest days of positions or assignments covered by paragraphs (g), (h), and (i), the following procedures shall be used.

1. All possible regular relief positions shall be established pursuant to paragraph (i) of this Rule.

2. Possible use of rest days other than Saturday and Sunday will be by agreement or in accordance with other provisions of this agreement.

3. Efforts will be made by the parties to agree on the accumulation of rest time and the granting of longer consecutive rest periods.

4. Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.

5. If the foregoing does not solve the problem, then some of the relief men may be given non-consecutive rest days.

6. If, after all the foregoing has been done, there still remains service which can only be performed by requiring employees to work in excess of five (5) days per week,

the number of regular assignments necessary to avoid this may be made with two (2) consecutive days off.

7. The least desirable solution of the problem would be to work some regular employees on the sixth (6th) or seventh (7th) days at overtime rates and thus withhold work from additional relief men.

8. If the parties are in disagreement over the necessity of splitting the rest days on any such assignments, the Company may nevertheless put the assignments into effect, subject to the right of employees to process the dispute as a grievance or claim under the Rules of the agreement and, in such proceedings, the burden will be on the Company to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five (5) days per week.

(j) Beginning of workweek. The term "workweek" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work.

(k) Starting time. The starting time of employees covered by this agreement will be consistent with the requirements of the service and will commence at the time they are required to report for duty and shall continue until they are relieved from duty, except as specifically provided to the contrary herein.

(l) Weekly guarantee. Nothing herein shall be construed to permit the reduction of workdays for regularly assigned employees and/or positions covered by this agreement, except that this number may be reduced in a week in which one of the holidays specified in Rule 29 occurs within the workweek.

(m) Nothing herein shall be construed to permit the reduction of workdays for regularly assigned employees and/or positions covered by this agreement, except that this number may be reduced in a week in which one of the holidays specified in Rule 29 occurs within the workweek, with the understanding that, consistent with the requirements of the service, it will not be reduced by more than two (2) days without advance notification to the Organization. Any deviation therefrom must be agreed to in advance between the Company and the Organization.

(n) When conditions beyond the control of the Company prevent employees from performing their normal duties, only the hours between the beginning and release from duty, exclusive of any meal period, shall be paid for, with a minimum of four (4) hours being allowed each employee who reports for duty.

(o) When employees are permitted to work less than a minimum workday for their convenience or when, due to inclement weather or other causes, interruptions occur to regularly established work periods, preventing a minimum day's work, only the hours between the beginning and release from duty, exclusive of the meal period shall be paid for.

(p) Intermittent service. At outlying points eight (8) hours' actual time on duty, exclusive of the meal period, within a spread of twelve (12) hours shall constitute a day's work for those whose duties do not require continuous service.

Employees filling such positions shall be paid overtime for all time actually on duty or held for duty in excess of eight (8) hours from the time required to report for duty to the time of release within twelve (12) consecutive hours and also for all time in excess of twelve (12) consecutive hours computed continuously from the time first required to report until final release.

Time shall be counted as continuous service in all cases where the interval of release from duty does not exceed one hour.

Exceptions to the foregoing paragraph shall be made for individual positions when agreed to between the company and the organization of the employees. For such excepted positions, the foregoing paragraph shall not apply.

This rule shall not be construed as authorizing the working of split tricks where continuous service is required.

Intermittent service is understood to mean service of a character where during the hours of assignment there is no work to be performed for periods of more than one hour's duration and service of the employees cannot otherwise be utilized.

Employees covered by this rule will be paid not less than eight (8) hours within a spread of twelve (12) consecutive hours.

(q) Shifts. There may be one (1), two (2), or three (3) shifts employed. The starting time of any shift shall be based on actual service requirements.

RULE 15 - OVERTIME

(a) No overtime hours will be worked except by direction of proper authority, except in cases of emergency where advance authority is not obtainable.

(b) Time in excess of eight (8) hours, exclusive of the meal period, on any day (twenty-four- [24] hour period) in a normal workweek as defined in Rule 14(c), will be considered overtime and paid for on the actual minute basis at the rate of time and one-half.

For continuous service after regularly scheduled work hours, employees will be paid time and one-half on the actual minute basis, with a minimum of one (1) hour for any service performed.

(c) Work in excess of forty (40) straight time hours in any workweek shall be paid for at one and one-half (1.5) the basic straight time rate, except where such work is performed by an employee due to moving from one assignment to another or to or from a furloughed list.

(d) Employees worked more than five (5) days in a workweek, as defined in Rule 14(c), shall be paid one and one-half times the basic straight time rate for work on the sixth (6th) and seventh (7th) days of their workweeks, except where such work is performed by an employee due to moving from one assignment to another or to or from a furloughed list.

(e) While it is the intent of the Company that, where practicable, employees will be relieved on their rest days, it is understood that an employee can be required to work on his rest days. Overtime work will be offered on a seniority basis and, if declined by senior men, junior employees will be required to work the overtime hours.

Should service be required on a designated holiday, the chairman of the committee at the affected location shall be notified, in writing, of the intent to work five (5) days in advance of the holiday, if possible. The chairman will be advised as to the desired number of positions needed on the holiday. Chairman of the committee shall notify employees and provide to the Carrier a list naming the employees to work the overtime. If the desires of the Company should change and the services are not required on a holiday, a notice stating such shall be posted twenty-four (24) hours in advance of the holiday, if possible, and the chairman of the committee notified.

Record will be kept of overtime worked and employees called with the purpose in view of distributing the overtime equally.

Overtime boards will be set up to keep distribution of overtime as nearly equal as possible and will be handled by the shop committee. Timekeepers will, when on duty, advise the chairman of the shop committee each day the amount of overtime made and by who made the previous day for the board record.

Employees called for overtime and declining the call will be charged on the overtime board with the amount of overtime they would have made if they had accepted the call.

When it is known that overtime work will be available pursuant to existing overtime rules, Maintenance of Equipment Department employees, except in cases of emergency, will be notified two (2) hours or more prior to end of normal workday of requirement for working overtime.

(f) When an employee is directed for any reason to work a second (2nd) tour of duty within a twenty-four- (24) hour period, all services performed on the second (2nd) tour within twenty-four (24) hours from the starting time of the first (1st) tour will be paid for at the rate of time and one-half (if the rates of pay on the involved positions are not the same, overtime will be computed on the basis of the higher rate), except when exercising displacement rights, moving to new positions or vacancies by bulletin or to short vacancies under the rearrangement of regular

forces, or where the second (2nd) tour in the twenty-four- (24) hour period is performed as a part of a relief assignment.

(g) It is understood that an employee, regularly assigned or furloughed, will not be used for, or be permitted to work a second (2nd) tour of duty beginning less than twenty-four (24) hours from the starting time of his previous tour of duty, unless there are no available furloughed employees for whom twenty-four (24) hours have expired since beginning his last tour of duty.

(h) For continuous service after or before regularly scheduled work hours, employees will be paid time and one-half on the actual minute basis.

(i) Employees notified or called to perform work not continuous with, before, or after the regular work period, on rest days, or specified holidays shall be paid a minimum allowance of three (3) hours at time and one-half rate; and, if held on duty in excess of three (3) hours, time and one-half will be allowed for actual time so held. Each call to duty after being released shall be a separate call.

(j) Where work is required to be performed on a day which is not a part of any assignment, it may be performed by an available furloughed employee who will otherwise not have forty (40) hours of work that week and in all other cases by the regular employee.

(k) When it becomes necessary for employees to work overtime, they shall not be laid off during regular working hours to equalize the time.

(l) Employees changed from one shift to another will be paid overtime rates for the first (1st) shift of each change. Employees working two (2) shifts or more on a new shift shall be considered transferred.

(m) If it becomes necessary to create a relief job in which the assigned relief man is compelled to perform work on different shifts in order to have five (5) workdays included in his assignment, such employee will not be paid overtime rates for changing shifts to perform the work on shifts included in his assignment. If such employee is required to change shifts for any other reason, this exception shall not apply to such other shift changes.

RULE 16 - ADVERTISING JOBS OR VACANCIES

(a) Positions may be established or abolished at any time, consistent with the requirements of the service.

(b) New jobs and permanent vacancies will be promptly bulletined on bulletin boards accessible to all employees affected and will be advertised for a period of five (5) calendar days, including date of advertisement. Bulletin will show location, title and description of position, rate of pay, assigned hours of service, meal period and days off.

(c) New positions or vacancies that are expected to exist thirty (30) or more calendar days will be bulletined as permanent within five (5) calendar days after the date the positions are created or vacancies occur.

(d) When the effective date of the job or permanent vacancy is known sufficiently in advance, advertisement will be issued, if practicable, so that bids may close prior to the effective date. When not advertised in advance, jobs or permanent vacancies, during the period of advertisement, will be filled by the senior furloughed employee desiring to work short vacancies.

(e) Bids shall be submitted in writing and/or to designated company email / fax to the appropriate Company office within five (5) calendar days of date of posting of bulletin. Receipt of bids and applications shall close at Midnight on the fifth day, including date of advertisement bulletin.

(f) Bids will be accepted only from those employees who have seniority in the craft in which the job or vacancy is classified, the bulletin to designate such craft, where required.

(g) An employee bidding on new positions or vacancies under this rule will not be permitted to withdraw his bid unless same is done prior to expiration of the five- (5) calendar-day period specified.

(h) Conversely, when conditions require the withdrawal of a bulletin, the withdrawal must be made prior to the expiration of the five- (5) calendar-day period and a bulletin posted to that effect.

(i) When more than one (1) vacancy or new position exists at the same time, employees shall have the right to bid on any or all, stating preference.

Nothing in this rule shall be construed to prevent employees bidding on all bulletined positions, irrespective of whether the position sought is of same, greater, or lesser remuneration.

(j) Employees declining promotion or declining to bid for a bulletined position shall not lose their seniority.

(k) Bulletin of assignment designating the senior bidder shall be posted on the sixth (6th) day at 12:01 P.M. and shall remain posted for a period of five (5) calendar days at all places where the position was bulletined.

In the event no qualified bids are received, then the senior applicant shall be awarded the position as non-qualified (NQ) and subject to provisions of rule 8 of this agreement.

In the event there are no bids or applicants received, assignment shall be made in keeping with paragraph (m) herein.

If there are no employees on the furloughed or extra board lists, the position will be re-advertised within seven (7) calendar days from the date of closing of the first (1st) advertisement or declination by furloughed or extra board employees for an addition five (5) calendar day period. If no bids are received, the position may then be filled by appointment by the Company.

(l) An employee awarded a bulletined position will be transferred to such assignment within seven (7) calendar days after issuance of assignment bulletin or effective date of the position, whichever is the earlier, or paid for all losses sustained, if Company's fault.

(m) In the event no job bids or applicants from within the Company are received, furloughed employees will be called in seniority order as vacancies might develop. In the event all employees decline such vacancy, the junior furloughed employee will be forced to the vacancy.

Any employee declining vacancies and, as a result, performing no service for the Company for a period of one (1) year, shall be considered as having forfeited his seniority with the Company.

(n) When an employee bids for and is awarded a permanent position, his former position will be declared vacant and bulletined.

(o) An employee exercising his seniority under this rule will do so without expense to the Company; he will lose his right to the job left; and, if after a fair trial he fails to qualify in accordance with rule 8, he will have to take whatever position may be open in his craft.

(p) If an employee not holding a regular assignment does not bid upon or if he bids upon and is the successful applicant but does not protect a vacancy or job for any reason, except for having been on authorized leave of absence, he will be barred from displacing the junior employee who bids in the assignment until such time as he has displacement rights from another regular assignment.

(q) If an employee is absent on authorized leave of absence during the entire time a job or vacancy is advertised for assignment and, for that reason, did not apply therefore, upon reporting for service he may, if he holds seniority in the craft involved, displace a junior employee who has been assigned to such job or vacancy during his absence, provided he makes application within forty-eight (48) hours after reporting and then only if he does not otherwise exercise his seniority rights. A junior employee displaced as a result may then exercise his seniority in like manner.

(r) The practice of exercising seniority to displace junior employees by "rolling" or "bumping" is not permitted.

"Rolling" or "bumping" as outlined above means that an employee on an assignment cannot exercise his seniority to displace a junior man, except as provided in this rule; in a reduction or reassignment of forces in which his assignment is abolished; or when displaced by a senior man in the exercise of seniority under any of the above conditions.

RULE 17 - SHORT VACANCIES

(a) Temporary vacancies of less than thirty (30) calendar days' duration shall be considered short vacancies and will not be advertised. However, when there is reasonable evidence that such vacancies will extend beyond the thirty- (30) day time limit, they shall be immediately bulletined in accordance with Rule 16.

(b) Short vacancies will be filled by the senior employee from the extra board lists, or senior furloughed employee desiring to work short vacancies, holding seniority in the sub-classification involved. Such extra board or furloughed employee will remain thereon until he is displaced through the exercise of seniority, or he bids upon and becomes assigned to another permanent job or vacancy, or the temporary assignment expires.

At the expiration of such temporary assignment, the incumbent employee will be permitted to exercise seniority over any junior employee in the craft in which he holds seniority holding a job or vacancy, either permanent or temporary, which develops during the period he was on the temporary assignment.

If there are no qualified furloughed employees available, regularly assigned employees, on their rest days, will be used in seniority order, so long as use of the regularly assigned employee will not disturb his placement for his regularly assigned job or position.

(c) In those instances in which an employee applies for leave of less than thirty (30) days' duration and then reapplies for extension of that initial leave which totals more than thirty (30) days, his position shall be immediately bulletined in accordance with Rule 16. If such vacancies later develop to be permanent, they will be re-bulletined as such.

RULE 18 – EXTRA BOARD

(a) This establishes one (1) Extra Board position, to fill short vacancies in the Sub-classifications of Machinist and Electrician at the Bowden Locomotive Shop. The Extra Board Position in the Locomotive Shop shall not have an adverse effect on any of the employees listed on Attachment "A". It is further understood that the number of Extra Board Positions should not exceed one (1), at the above-mentioned Shop, unless agreed upon between the Organization and the Railway. In the event the Railway and the Organization cannot agree on the number of Extra Board Positions or the Company violates this provision, the Organization may request, and the Company is obligated to abolish this Extra Board position. The Organization must make this request in writing to the Company at least 20 days prior to the abolishment action.

RULE 19 - BLANKED

RULE 20 - CHANGING DUTIES

(a) When the duties of any position are so changed that the occupant cannot satisfactorily perform them, he shall, upon agreement between the Company and the Organization, be permitted to exercise his seniority rights to a position held by a junior employee.

An employee, whose physical condition becomes such that he can no longer perform his regular duties or who has become physically unable to continue in service in his present position, will be furnished employment, if available, in accordance with the Americans with Disabilities Act.

(b) Where there is sufficient increase or decrease in the duties and responsibilities of a position or change in the character of the service required, the compensation for such position will be subject to adjustment, but established positions will not be discontinued and new ones created under the same or different titles covering relatively the same class or grade of work which will have the effect of reducing the rate of pay or evading the application of these rules.

RULE 21- SERVICE

(a) Employees employed in any class of service may be required to perform any other class of service in a day or trip, the highest rated service performed to be the applicable rate for the entire day or tour of duty.

(b) The Company may direct employees to work in other than advertised districts according to the requirements of the service for no more than thirty (30) calendar days, except by mutual agreement between the Organization and the Company.

(c) An employee who is held off of his regular assignment account Hours-of-Service regulations shall be paid a minimum day's pay that he would have earned had he been able to protect his regular assignment.

(d) In selecting employees directed to work in other than advertised districts, the Company agrees to poll employees to determine if an employee may wish to volunteer for the assignment. The Company is not bound to utilize the volunteer (s).

RULE 22 - TRAINING

(a) Employees may be directed to attend mandatory training as directed by the Company.

(b) Training shall be up to two (2) hours before the advertised starting time of the shift or up to two (2) hours after the advertised time of the end of the shift.

(c) Training shall be paid at the straight time rate for up to sixteen (16) hours per year.

RULE 23 - HEADQUARTERS POINT

(a) Employees will be assigned a designated headquarters. Headquarters and/or work districts will be named in the bulletin of advertisement per rule 16.

(b) Except as provided in rule 24, employee's time will begin and end at designated point at his headquarters.

(c) When a change is made in the location of an employee's headquarters, the position will be re-bulletined as a new position only when so requested by the organization. Such request must be made in writing and within ten (10) days from date of change.

(d) Employees will be reimbursed for necessary expenses for meals and lodging incurred while away from their regular headquarters by direction of the company. This rule shall not apply to employees traveling in exercise of their seniority rights or to employees doing relief work.

(e) This rule shall not apply to employees traveling in exercise of their seniority rights or to employees doing relief work.

RULE 24 - TRAVEL TIME

(a) Hourly rated employees performing service during normal work periods requiring them to leave and return to home station the same day will be paid continuous time, exclusive of meal period, from time reporting for duty until released at home station; straight time for all straight time work; and overtime for all overtime work. "Return to home station the same day" means return before the usual starting time the following day.

(b) Employees performing service which requires them to leave their home station and who do not return to home station the same day will be paid straight time rate for time traveling or working during regularly assigned working hours and time and one-half rate for work or travel time during overtime hours.

When lodging accommodations are available at the point to which sent, no time will be allowed other than that consumed in traveling or time actually worked between the end of the regular hours of one day and the beginning of the regular working hours of the following day.

(c) Employees traveling by Company vehicles shall be deemed to be at work while so traveling. It is understood that in the repositioning of Company equipment after normal working hours only the operator will be deemed to be at work while so traveling.

RULE 25 - WORK AWAY FROM HEADQUARTERS POINT

(a) Employees, sent out to temporarily fill vacancies at an outlying point or shop, or sent out on a temporary transfer to an outlying point or shop, or when called for emergency work away from headquarters point, will be paid continuous time from time called to leave home point to time of arrival at point to which sent, straight time rates to be paid for straight time hours at headquarters and overtime rates for overtime hours at headquarters, whether waiting or traveling.

(b) While at such outside point, they will be paid straight time and overtime in accordance with the bulletin hours at that point and will be guaranteed not less than eight (8) hours for each day.

(c) Where meals are not provided by the Company, per diem meal expenses will be allowed.

(d) On the return trip to headquarters point, straight time for straight time hours and overtime for overtime hours in accordance with the practice at headquarters points will be allowed up to the time of arrival at headquarters point.

(e) If during the time on the road a man is relieved from duty and permitted to go to bed or rest for five (5) or more hours, such relief time will not be paid for, provided that in no case shall he be paid for a total of less than eight (8) hours each calendar day when such regular service prevents the employee from making his regular daily hours at headquarters point.

(f) Wrecking service employees will be paid under this rule. All time working, waiting, or traveling on rest days and holidays will be paid for at the rate of time and one-half and all time working, waiting, or traveling on assigned days after recognized straight time hours at home station will also be paid for at rate of time and one-half.

RULE 26 - MEAL PERIOD

(a) Unless otherwise agreed to by the Company and the Organization, the meal period shall not be less than thirty (30) minutes nor more than one (1) hour.

(b) For regular operations requiring continuous hours, eight (8) consecutive hours without meal period shall be assigned as constituting a day's work in which a meal period of twenty (20) minutes shall be allowed to eat, without deduction in pay.

(c) Where a meal period is allowed, it will be regularly assigned between the ending of the third (3rd) hour and the beginning of the sixth (6th) hour after starting work. (For example, if an employee reports for duty at 7:00 A.M., he would be granted a meal period between the hours of 11:00 A.M. to 1:00 P.M. In other words, it is understood that the beginning of the first (1st) hour after starting work would be 8:00 A.M.)

(d) Employees required to work any part of the lunch period shall receive pay for the length of the lunch period regularly taken at straight time and will be allowed necessary time to procure lunch (not to exceed thirty [30] minutes) without loss of time.

(e) Employees required to work overtime two (2) hours or more continuous with regular assignment shall be allowed a second (2nd) meal period of thirty (30) minutes before the beginning of the sixth (6th) hour after the end of the first (1st) meal period.

If the meal period is not afforded within the agreed period and is worked, the meal period shall be paid for at the overtime rate and twenty (20) minutes with pay in which to eat shall be afforded before the beginning of the sixth (6th) hour after starting work.

RULE 27 - LEAVE OF ABSENCE

(a) Employees desiring to be absent twelve (12) days or more must make advance written request for leave of absence.

(b) Personal leaves of absence will, upon written request, be granted at the discretion of the Company, if the employee can be spared. In cases of sickness or disability, employees will be granted leaves of absence in accordance with the Family and Medical Leave Act. Should an employee who is qualified for FMLA under Federal Guidelines exhaust his annual leave, he will qualify for Company Leave of Absence (LOA) governed by the Leave of Absence Policy of the Company.

(c) An employee absent on leave who engages in other employment will be considered to have forfeited their seniority, unless special arrangements shall have been made with the officer granting the leave of absence and the Organization, except in cases of the medical examiner of the Company barring an employee for physical reasons.

(d) An employee who fails to report for duty at the expiration of leave of absence will forfeit his seniority rights.

(e) Employees returning to service after having laid off with permission or from leave of absence must notify proper authority not less than twenty-four (24) hours before reporting time for their jobs, except as provided herein.

(f) Employees desiring to return from leave of absence before the expiration thereof will be permitted to do so upon forty-eight (48) hours' written advance notice to the immediate supervisory officer.

(g) An employee returning after leave of absence may return to his former position, providing it has not been abolished or senior employee has not exercised displacement rights over junior employees, or, within forty-eight (48) hours after return exercise seniority rights on any position bulletined during such absence.

(h) An employee displaced from his assignment while on vacation or leave of absence will be considered as having been on leave of absence for the duration of his vacation and leave, as a consequence of which he will have the privilege of exercising all rights accorded an employee displaced during leave of absence under this agreement.

(i) An employee relieved from temporary or official, subordinate official, or excepted position may return to his former position within ten (10) days, providing it has not been abolished or senior employee has not exercised displacement rights thereon. Said employee shall notify the proper authority no less than forty-eight (48) hours in advance of the date that he will assert his seniority rights on an identified position and must actively assume the duties of the position of his selection before he will be considered as having exercised or asserted his seniority rights under this agreement. In case of personal illness developing after the employee notifies the proper officer of the Company of the position of his choice, which prevents the employee from actively assuming the duties of the position, he will, upon advice to the proper officer of the Company, accompanied by request for leave of absence, be considered as having exercised or asserted his rights.

In the event employee's former position has been abolished or senior employee has exercised displacement rights thereon, the employee may exercise seniority rights on any position bulletined during such absence and will have the privilege of exercising seniority rights over junior employees, if such rights are exercised within forty-eight (48) hours after his return. Employees displaced by his return will be affected in the same manner.

It is mutually agreed that the phrase "or senior employee has not exercised displacement rights thereon" and the phrase "or senior employee has exercised displacement rights thereon" appearing in these paragraphs shall be interpreted to refer only to a senior employee exercising displacement rights in a reduction of forces or in abolishing positions and shall not refer to a senior employee bidding upon or applying for a vacancy.

(j) Employees in the service of the Company, called for duty under an act of Congress relating to compulsory training or service in the armed services of the United States, shall receive leave of absence to cover their term of service and shall have thirty (30) days after receiving

honorable discharge in which to claim their rights to a position and may exercise their seniority over junior employees in their seniority subdivisions.

(k) Employees in the service voluntarily enlisting in any branch of the armed services of the United States shall receive leave of absence when proper request has been made in writing to the appropriate supervisor in keeping with the Selective Service Retraining Act, as well as any other laws relative to military leaves of absences, and shall have thirty (30) days after receiving honorable discharge in which to claim their rights to position with the Company, same as accorded selectees in the preceding paragraph (j).

(l) An employee, who has returned to service under the above conditions of paragraphs (j) and (k) and is eligible for vocational rehabilitation or education and training under the Service-man's Readjustment Act and who makes application for leave of absence for the purpose of vocational rehabilitation or education and training under the Act, will be granted leave of absence for the period engaged in such vocational rehabilitation or education and training upon presentation of military orders to that effect.

(m) An employee, who has established seniority rights and who is now filling or may hereafter be appointed or elected to any federal, state, county, or municipal office, shall, upon written request, be granted leave of absence for such period of time as he holds or occupies such office or position and without impairment or prejudice of seniority rights or rank.

Upon expiration or termination of any such term of office or appointment to any federal, state, county, or municipal office or position, such employee shall, upon written notice to the proper authority and upon passing the customarily required physical and mental examination of employees re-entering the active service, may exercise his seniority over junior employees in his respective seniority subdivisions.

(n) Provisions for obtaining and granting leave of absence under this rule shall be deemed to have been complied with in case of an employee who is on leave at the time this agreement is adopted.

RULE 28 - ABSENTEEISM

(a) Employees covered by this agreement shall be granted seven (7) days of paid time off to be utilized for sick or personal absences (hereinafter referred to as "personal days") on January 1st of each calendar year, subject to the following elements outlined herein:

Employees must have worked one hundred eighty (180) days in the preceding calendar year to be granted personal days.

Compensated time off (vacation, personal, bereavement) shall count towards this requirement. Uncompensated mark offs, including but not limited to FMLA and leave of absence, shall not count toward this requirement.

Newly hired employees shall receive their seven (7) personal days upon completion of their probationary period; however, they shall be granted no more than seven (7) personal days in any one calendar year.

(b) Employees desiring to be absent must secure permission from an appropriate supervisor unless the employee has a bona fide emergency. Permission may be granted subject to the requirements of service on a first come first serve basis, without regard to seniority.

For personal reasons and foreseeable absences [e.g., doctor's appointment or procedure that is scheduled at least seven (7) days in advance of the absence], employees request must be made seven (7) calendar days in advance of the absence.

In cases of illness, employees must advise their supervisor not less than two (2) hours in advance of their expected report time.

Employees may be required to provide a note from a healthcare provider to document the need to utilize personal days for unforeseeable medical appointments or absences spanning over three (3) or more consecutive days.

(c) Employees on an authorized leave of absence, including a leave of absence under the Family Medical Leave Act, shall be required to utilize personal days concurrent with any such entitlement, until exhausted.

(d) Personal days are equal to eight (8) or ten (10) straight time hours (dependent on assignment to an eight- [8] or ten- [10] hour day, respectively)

(e) If an employee does not exhaust their personal days in any one calendar year, a maximum of three (3) personal days per year shall be carried forward into the next calendar year; however, no employee shall have a balance of more than (10) days during any calendar year.

A maximum of four (4) unused personal days which cannot be carried forward shall be paid out at the end of each calendar year at 50% of the Employee's straight time hourly rate of pay of the position held by the employee the last pay half of December of each year.

(f) The Carrier's Attendance Policy in effect at the time of the absence shall govern and such policy is not a part of this agreement and is not subject to Section Six of the Railway Labor Act, as amended. Employees laying off without permission may be subject to discipline.

(g) With regard to an employee who desires to be off for personal reasons but cannot be spared, who in turn arranges for another employee to work in his place, the following understanding will apply:

Any employee desiring to be absent for personal reasons and the requirements of the service are such that he cannot be spared, he then, with authority, may, if agreed to in each instance by the supervisor in charge of the involved office or facility, make necessary arrangements to have another employee in the same craft, who is on his off-day, work in his place, at straight time rate.

This is not to be misconstrued to mean that permission which would normally be granted an individual employee to be absent shall be denied simply for the reason of making him secure the services of another man to work in his place, but is to apply in those occasions in which the services of the individual are legitimately needed.

It is understood and agreed that no added costs will accrue to the Company through operation of this agreement provision.

RULE 29 - HOLIDAYS

(a) Subject to the qualifying requirements applicable to regularly assigned employees contained in paragraph (c) below, each regularly assigned employee shall receive eight (8) hours' pay at the rate of the position last worked prior to the holiday for each of the following enumerated holidays:

New Year's Day
President's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve

(b) Should service be performed on a designated holiday, the employee performing the service will be allowed pay at the time and one-half rate of the position on which service is performed, in addition to holiday pay.

(c) A regularly assigned employee shall qualify for holiday pay provided in paragraph (a) above if compensation paid him by the carrier is credited to the workdays immediately preceding and following such holiday or if the employee is not assigned to work but is available for service on such days.

Regularly assigned employees actually performing compensated service will not qualify for holiday pay unless they perform compensated service for a minimum of five (5) hours on the workdays immediately preceding and following such holiday, except in case of emergency. It is

understood that employee must furnish documentation supporting the reason he is unable to complete his assignment.

If the holiday falls on the last day of a regularly assigned employee's workweek, the first (1st) workday following his rest days shall be considered the workday immediately following.

If the holiday falls on the first (1st) workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

A regularly assigned employee, meeting the qualifications set forth in the above paragraphs, will also be allowed to bracket any holiday or holiday period with vacation days only, however, the holiday shall still count as a vacation day. The employee shall then receive holiday pay in addition to vacation pay.

(d) An employee, otherwise qualified for holiday pay who is confined to a hospital or unable to perform service at the direction of a Company doctor or produces medical documentation concerning an illness on the workday immediately preceding and following a specified holiday and who returns to work within five (5) days following the holiday, will receive holiday pay allowance.

(e) Insofar as concerns the Christmas Eve holiday only, any tour of duty of any craft commencing at 10:30 P.M. or later on December 23, will be considered the holiday tour of duty and any positions starting at 10:30 P.M. or later on Christmas Eve Day itself will be considered as straight time tour of duty.

(f) Holiday pay will be paid only on the actual day of the Holiday.

RULE 30 - VACATIONS

The vacation provided for in this agreement shall be considered to have been earned when the employee has qualified under Section 1 hereof, all vacations, unless stipulated otherwise, shall be granted on January 1st of each calendar year.

1. (a) Newly hired employees who have completed one hundred and eighty (180) calendar days of employment prior to October 1st of the year of hire, shall be granted an annual vacation of one (1) week with pay, upon such completion. This provision applies only to the first year of employment.

(b) An annual vacation of two (2) weeks with pay will be granted to each employee of the Company who renders compensated service as an employee of the Company on not less than one hundred and fifty-six (156) days during the preceding calendar year, with qualifying days being computed on the basis of one (1) day for each tour of duty of eight (8) hours.

(c) An annual vacation of three (3) weeks with pay will be granted to each employee of the Company who renders compensated service as an employee of the Company on not less than one hundred (100) days during the preceding calendar year and has rendered compensated service in each of the seven (7) years immediately preceding the year of vacation and has rendered compensated service on no less than seven hundred seventy (700) days during said seven (7) year period, with qualifying days being computed on the basis of one (1) day for each tour of duty of eight (8) hours.

(d) An annual vacation of four (4) weeks with pay will be granted to each employee of the Company who renders compensated service as an employee of the Company on not less than one hundred (100) days during the preceding calendar year and has rendered compensated service in each of the fourteen (14) years immediately preceding the year of vacation and has rendered compensated service on no less than one thousand five-hundred and forty (1,400) days during said fourteen (14) year period, with qualifying days being computed on the basis of one (1) day for each tour of duty of eight (8) hours.

It is understood that when an employee obtains sufficient service to earn an additional vacation week, such entitlement will occur at the beginning of said calendar year, without regard to his actual anniversary date.

(e) Continuous employment is broken by voluntary resignation, discharge for cause, or any other voluntary separation from the service.

(f) Employees exercising their vacation privileges will be compensated under this agreement during their absence on vacation in accordance with Rule 31, retaining their other rights as if they had remained at work, such absences from duty not constituting "vacancies" in their positions under any agreement.

(g) In instances where employees have performed seven (7) months' service with the Company or have performed in a calendar year service sufficient to qualify them for a vacation in the following calendar year and subsequently called for duty relative to compulsory training or service in the armed forces of the United States, the time spent by such employees in the armed services will be credited as qualifying service in determining the length of vacations for which they may qualify upon their return to the service of the Company.

(h) It is understood that, for the purpose of qualifying for a day, an employee must work at least five (5) hours.

2. (a) The vacation period due in any one (1) year must be taken during that year, vacation periods being neither accumulative nor transferable.

(b) Vacations may be taken from January 1, to December 31, and due regard consistent with requirements of the service shall be given to the desires and preferences of the employees, in seniority order, when fixing the dates for their vacations. The Carrier has the right

to control the number of employees who may take vacation at the same and/or overlapping dates, dependent on the requirements of service, but will make reasonable effort to accommodate the wishes of employees in seniority order.

(c) The Company reserves the right to schedule the vacation period for each employee, as well as to generally administer the vacation plan, in accordance with the above provisions, with the understanding, of course, that vacation periods will be scheduled to the greatest extent possible, commensurate with the requirements of the service, on the seniority principle.

(d) Each employee who is entitled to vacation shall take same at the time assigned and, while it is intended that the vacation date designated will be adhered to so far as practicable, the Company shall have the right to defer same, provided the employee so affected is given as much advance notice as possible; not less than thirty (30) days' notice shall be given, except when emergency conditions prevent same.

(e) While the intention of this agreement is that the vacation period will be continuous, the vacation may, at the request of the employee, be given in installments if the Company consents thereto.

Employees who qualify for only one (1) week of vacation may make request in writing to take his vacation in single day increments, said request must be approved by Supervision and Human Resources. Employees qualified for two (2) weeks of vacation may, at their option, take one (1) week of that vacation in single day increments. Employees qualified for three (3) weeks of vacation may take up to two (2) weeks of that vacation in single day increments.

(f) It is further understood, in the event a scheduled vacation of an employee occurs during furlough or while he is in an unassigned or extra board status, at the request of the employee, the vacation will be allowed for the appropriate number of days on a consecutive basis without regard to workweeks and paid in accordance with rule 31.

(g) If it becomes necessary to advance the designated date, at least thirty- (30) days advance notice will be given the affected employee.

(h) If the Company finds that it cannot release an employee for a vacation during the calendar year because of the requirements of the service, then such employee shall be paid in lieu of vacation.

(i) To the extent that the Company can reasonably do so without detriment to its operations, an employee will be permitted to commence his vacation following completion of his assigned rest day or days.

3. (a) A holiday (New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving, Christmas Eve, Christmas Day, and New Year's Eve, or any day which by agreement has been substituted or is observed in place of

any of the ten [10] holidays enumerated) which falls on any workday during a vacation period shall be counted a vacation day.

(b) An employee designated to fill an assignment of another employee on vacation will be paid the rate of such assignment or the rate of his own assignment, whichever is the greater; provided that, if the assignment is filled by a regularly assigned vacation relief employee, such employee shall receive the rate of the relief position.

(c) No employee shall be paid less than his own normal compensation for the hours of his own assignment because of vacations of other employees.

RULE 31 - VACATION PAY

(a) The amount of vacation pay for an employee qualified for one (1) week of vacation shall be the equivalent of forty (40) hours' pay at the rate of the last service performed.

(b) The amount of vacation pay for an employee qualified for two (2) weeks of vacation shall be the equivalent of eighty (80) hours' pay at the rate of the last service performed.

(c) The amount of vacation pay for an employee qualified for three (3) weeks of vacation shall be the equivalent of one hundred and twenty (120) hours' pay at the rate of the last service performed.

(d) The amount of vacation pay for an employee qualified for four (4) weeks of vacation shall be the equivalent of one hundred and sixty (160) hours' pay at the rate of the last service performed.

(e) Vacation pay referred to in this agreement is that pay earned by the employee who earned compensation while working in one of the sub classes outlined in Rule 5 – Seniority.

(f) Employees, at their option, may submit time tickets covering authorized vacation allowances, said time tickets to be submitted two (2) weeks in advance of period of scheduled vacation in order that pay allowances might be available at the time vacation commences.

(g) In the event employee does not opt to submit time slip two (2) weeks in advance of commencement of scheduled vacation period, the Company will only make payment in keeping with normal pay procedures.

(h) If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, or failure to return after furlough or leave, he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service, including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year, if the employee has qualified therefore under Rule 30.

(i) If an employee thus entitled to vacation or vacation pay shall die, the vacation pay earned and not received shall be paid to such beneficiary as may have been designated or, in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

RULE 32 - ATTENDING COURT, INQUESTS, ETC.

(a) A regularly assigned employee attending court, inquests, investigations, or hearings under instructions from the Company, as witnesses for the Company, will be paid for each workday so held, the equivalent of his regular assigned hours at the rate of the position on which service was last performed.

When such attendance occurs on rest days, regularly assigned employees will be allowed a minimum of four (4) hours and maximum of eight (8) hours at the overtime rate of the position on which service was last performed.

When it occurs before or after assigned hours on other than rest days without interruption, employees will be allowed actual time in attendance, with a minimum of four (4) hours and a maximum of eight (8) hours at the overtime rate of the position on which service was last performed.

(b) Unassigned or furloughed employees attending court, inquests, investigations, or hearings under instructions from the Company as witnesses for the Company, will be allowed a minimum day at the rate of the position on which service was last performed prior to such attendance for each calendar day used as a witness.

(c) Transportation to away-from-headquarters point will be furnished on a per diem basis, but pay for deadheading will not be allowed.

(d) This rule has no application to an employee instructed by the Company to attend an investigation of charges against him.

(e) Any monies received by employees for travel expenses or pay for jury duty, inquests, or court procedures shall be retained by the employee involved, without deduction from any other monies to which he might be entitled to under the provisions of this agreement.

RULE 33 - JURY DUTY

(a) When a regularly assigned employee covered by this agreement is summoned for jury duty and is required to lose time from his assignment as a result of reporting for or for serving on a jury, he shall be paid for actual time reporting for or serving on a jury, with a maximum of a

basic day's pay at the straight time rate of the position on which service was last performed for each day lost, subject to the following qualification requirements and limitations.

(b) In order to receive compensation for reporting for or serving on a jury, an employee must furnish the Company with a statement from the court of the days on which jury duty was performed.

(c) The number of days for which jury duty pay shall be paid is limited to a maximum of ten (10) days in any calendar year, or as may be required in accordance with local ordinances.

(d) No jury duty pay will be allowed for any day as to which the employee is entitled to vacation or holiday pay.

(e) A regularly assigned employee summoned for grand jury will be paid a maximum of a basic day's pay at the straight time rate of the position on which he last performed service. The number of days for which an employee will be paid while serving on a federal and/or grand jury is limited to a maximum of thirty (30) days, within a three (3) year period.

(f) When an employee is excused from railroad service account of jury duty, the Company shall have the option of determining whether or not the employee's regular position shall be blanked, notwithstanding the provisions of any other rules.

(g) If an employee is called for jury duty, he will be absent only that time actually required to report or serve on the jury. In other words, if an employee is released from jury duty on any day during the period of his scheduled work hours, he will return to work, provided another employee has not been called to fill the position.

(h) Any monies received by employees for travel expenses or pay for jury duty, inquests, or court procedures shall be retained by the employee involved, without deduction from any other monies to which he might be entitled under the provisions of this agreement.

RULE 34 - FUNERAL LEAVE

(a) In those instances in which an employee loses through death a mother, father, sister, brother, wife, husband, son, daughter, stepchild, mother- or father-in-law, stepmother or stepfather, grandchild, or grandparent, the day of attending the funeral will be compensated for at straight time rate for three (3) days. With respect to stepmother and/or stepfather, such payment will be allowed only on a one (1) time basis.

An employee will only be due compensation for one (1) day if the funeral is not attended.

(b) Employees losing through death a sister/brother-in-law, step-grandchild or grandparent of their current spouse will be compensated at straight time rate for the day of the

funeral only. Employees divorced with no current spouse will not be entitled to this one (1) day of funeral leave.

The employee must attend the funeral to receive this one (1) day compensation.

RULE 35 - EXAMINATIONS

(a) Instructions of supervisory officers of the Company to employees to undergo physical examination to determine if he remains qualified for a position shall be promptly complied with, the Company to pay for any such examination made at its direction. The Company reserves the right to select its own medical examiner or physician.

(b) No compensation shall be due an employee for undergoing examination, unless such examination reveals that the employee is and was fit for service at the time of the examination. In that event, employee will be made whole for any time lost while undergoing the examination.

(c) Employees instructed to undergo physical examination not a part of job qualifications will be compensated for any time lost to undergo said examination. The Company will pay for any such examination made at its direction and reserves the right to select its own medical examiner or physician.

(d) In the case of any employee reporting, at the direction of the Company, for physical examination, the Company will reimburse him at the current rate per mile, via the most direct route, incurred as a result of this physical examination.

Employees entering or returning to service will be required to take such physical examination as the Company requires to determine their fitness to reasonably perform the service required in their craft or class.

(e) Employees resuming active service with the Company will be subject to prescribed physical examinations. In the event an employee is withheld from service because of this physical condition as a result of examination by the Company's physician, the employee, or his Organization, upon presentation of a dissenting opinion as to the employee's condition by a competent physician, may make written request to his employing officer, within fifteen (15) calendar days of the date withheld, for a neutral medical authority to review the withheld employee's case.

Within fifteen (15) calendar days of the receipt of such request, the Company and the Organization or the employee's personal physician shall by mutual agreement appoint such neutral medical authority, which medical authority shall be expert on and specializing in the disability from which the employee is alleged to be suffering.

The neutral medical authority so selected will review the employee's case from medical records furnished by the parties hereto and, if it considers it necessary, will make an examination

of the employee. Said medical authority shall then make a complete report of its findings in duplicate, one (1) copy to the Company and one (1) copy to the employee or the Organization setting forth the employee's condition and an opinion as to his fitness to continue service in his regular employment, which will be accepted as final.

The Company and the employee shall each pay one-half (½) of the fee and expenses of the neutral medical authority and any examination expenses which may be incurred, such as hospital, laboratory, and x-ray services.

In the event the neutral medical authority concludes that the employee is fit to continue in service in his regular employment, such neutral medical authority shall also render a further opinion as to whether or not such fitness existed at the time the employee was withheld from service. If such further conclusion states that the employee possessed such fitness at the time withheld from service, the employee will be made whole for earnings lost during the period so withheld, and will be reimbursed for the monies he paid for the neutral medical authority.

In the event the neutral medical authority concludes that the employee is not fit to continue in service in his regular employment, the Organization may upon presentation of an opinion from a competent physician that the employee's condition has improved request re-examination by the carrier's physician. Such request will not be made for the first ninety (90) calendar days thereafter, nor more often than once in any subsequent ninety- (90) day period.

RULE 36 - RATES OF PAY

(a) Effective with the date of this agreement, hourly straight time rates of pay for each position falling within the scope of this agreement will be as follows:

Year	**1/1/2023**	**1/1/2024**	**1/1/2025**	**1/1/2026**	**1/1/2027**
Percent Increase	5.50%	4.50%	3.25%	3.50%	3.25%
Electrician	31.69	33.12	34.19	35.39	36.54
Machinist	31.69	33.12	34.19	35.39	36.54

The General Wage Increase shall be paid retroactive to the amendable date of January 1, 2023. All other increases become effective on the date the agreement becomes effective.

(b) Leadman: The employee chosen by Management to perform the duties of Leadman will be compensated an additional $2.00 per hour, in addition to his regular pay.

(c) All straight time and overtime rates will be rounded off to the nearest whole cent.

(d) New employees, upon hire, shall be paid at a rate which may be established and adjusted by the Carrier without consultation from the Organization. Upon qualifying for their classification, these employees will begin receiving the full rate of pay.

(e) Whenever an employee, except as covered by the conditions of paragraph (d) above, is required to fill the place of another employee receiving a higher rate of pay, he shall receive the higher rate for the entire eight (8) hour day or, if required to fill the place of an employee receiving a lower rate of pay, his rate shall not be changed.

(f) Established rates of pay or positions shall not be discontinued or abolished and new ones created covering relatively the same class of work which will have the effect of reducing rates of pay or evading the application of this rule.

(g) Except when changes in rates result from negotiations for adjustments of a general character, changing of a rate of a specified position shall constitute a new position.

(h) The rates for new positions shall be in conformity with rates for positions of a similar kind or class.

(i) All compensation due employees will be posted via "direct deposit" into the employee's bank account.

RULE 37 - TIME CHECKS

(a) Employees will be paid semimonthly during the day shift and, when possible, on the fifteenth (15th) and last day of each month.

(b) When there is a shortage equal to one (1) day's pay or more, the employee will receive time check to cover, on request. Lesser due monies will be payable on the next regular payday.

(c) Employees leaving the service will receive time check on the next regular payday.

(d) Pay periods will be divided into two (2) segments per month, closing on the fifteenth (15th) and last day of the month. Time tickets or pay sheets must be submitted daily, or next subsequent workday, following end of each tour of duty to the appropriate supervisor in order to be included in the next time check. Any time ticket or pay sheet received after that time will not be paid until the succeeding pay period.

(e) As a condition of employment, employees will receive their paychecks via direct deposit only.

RULE 38 - EQUIPMENT, TOOLS, AND SUPPLIES

(a) The Company will furnish employees general tools as are necessary to perform their work, except such tools as are customarily furnished by skilled workmen.

(b) Employees who have the necessary personal tools of their trade on Company premises will be provided with a safe place to keep them.

(c) Personal tools of the trade, damaged, destroyed, or stolen while performing jobs assigned by the Company, shall be replaced with a comparable tool at no expense to the employee.

(d) Employees engaged in handling of storage batteries and mixing acid will be provided with acid-proof rubber gloves, hip boots, and aprons.

(e) Desks or writing boards for employees to make out time tickets will be provided.

(f) Five (5) minutes will be allowed before quitting time at the end of the day's work for gathering up tools and making out time cards.

(g) Employees will be required to reimburse the Company for the cost of Company furnished tools that are lost, damaged, or stolen through negligence of the employees.

(h) Emery wheels and grinding stones will be installed at convenient places in the shops and will be kept true and in order.

(i) Painters will not be required to use spray guns inside of cars unless provided with ventilating fans to produce proper circulation.

(j) Rain suits and boots will be made available without cost to employees washing locomotives in shop areas.

(k) Potable drinking water will be furnished.

(l) Employees will be furnished sufficient quantity of ice for drinking water during working hours.

(m) Each January, regardless of length of service, each employee subject to this agreement will qualify for a reimbursement of up to a maximum $250.00 following the purchase of proper safety boots as required under the rules, which have been approved under the Company's safety shoe program. In order to receive the reimbursement employees will be required to present to the company a receipt documenting the shoe purchase. New employees who join the Company will be reimbursed as outlined above as long as they purchase their boots after he/she has been offered employment. It is understood that employees hired during the last quarter of the year must present proof of the need for a new pair of boots and will not be compensated for a pair in the following year unless such proof is presented.

Employees who wear out the first pair of boots in the same calendar year may receive authorization to purchase a second pair of boots under this rule, when approved by the appropriate Carrier officer.

(n) Effective January 1, 2024, the provisions of paragraph (m) above shall also apply to the purchase of personal tools to be used in the course of duty; however, the maximum reimbursement under this rule for boots, tools, or any combination thereof, shall be no greater than $250.00. The provisions of this paragraph in no way detract from the provisions of paragraph (a) above.

RULE 39 - BULLETIN BOARDS

(a) At points where bulletins are posted where one (1) or more employees covered by this agreement regularly report for duty, a place will be provided where proper notices of interest to employees may be posted on Shannon file or clipboard, it being understood that such notices cover matters pertaining to the interests of the crafts concerned.

(b) Posting of notices on other than regular bulletin boards will not be allowed.

(c) The Organization will be allowed to install bulletin boards which must be neat in appearance, said bulletin boards to be maintained by the Organization.

(d) The Company's Human Resources office will be furnished copies of all documents posted by the Organization.

(e) Materials posted on the bulletin boards are to be only of the type which would not be objectionable from the standpoint of the Company. In the event objectionable material should be posted, the Organization will be notified, and immediate action will be taken to have it removed.

(f) Violations of the requirements set forth herein will constitute basis for immediate cancellation of this permission by the Company for posting of bulletin boards by the Organization.

RULE 40 - HEALTH AND SAFETY

(a) The health and safety of employees shall be reasonably protected while in the service. Similarly, the employees will be expected and required to perform work in a safe manner and in full compliance with safety and working rules issued for their government.

(b) The Company, with the cooperation of the employees, will keep work areas in a clean and safe condition and machinery and tools in a safe working condition.

RULE 41 - HEALTH AND WELFARE BENEFITS

(a) The Company shall provide a heath care plan for employees covered by this Agreement. The health care plan(s) may be changed from time to time, but any changes must affect all employees in the same manner. Information outlining the coverage will be made

available to employees. Employees must meet the qualifying criteria described in the plan before they become eligible to receive benefits. Employees should refer to the plan documents for the exact details of insurance benefits. This insurance is effective as long as the employee is eligible for insurance and becomes and remains insured as provided in the policy.

The employee premium for the core healthcare plan is the same for all employees, without regard to their status (e.g., Employee, Employee plus one, or Family). The employee premium for the core healthcare plan is as follows:

2023:	$ 256. per month
2024:	$ 276. per month
2025:	$ 306. per month
2026:	$ 336. per month
2027:	$ 366. per month

The Company reserves the right to offer more than one plan at its discretion. Employee premiums for additional plans shall be set annually by the Carrier.

(b) Additionally, it was agreed that active employees who are union representatives and therefore required to perform part time union service will not be declared ineligible for health care benefits in the event such union work results in failure to meet the hourly work threshold for such benefits. If the Company believes this provision is being abused, the matter will be immediately brought to the attention of the General Chairman for resolution.

(c) Each employee covered by this agreement will receive Twenty-Five Thousand Dollars ($25,000) of life insurance coverage at no cost to the employee.

(d) It is understood that this in no way detracts from or duplicates those benefits available under COBRA (Consolidated Omnibus Budget Reconciliation Act).

RULE 42 - EYEGLASSES

(a) Any employee wearing prescription eyeglasses, who damages those glasses as a consequence of working conditions involved on his position, will be allowed the cost of replacement eyeglasses.

(b) To be eligible for such eyeglass reimbursement, the cause of the incident creating the damage must be reported by the individual involved to his supervisor before the end of the tour of duty during which the damage occurred.

(c) Reimbursement will not include the cost of eye examination.

(d) The cost of frames will be included in the replacement allowance if the frames are damaged at the time of the involved incident and reported accordingly to the supervisor in the manner set forth herein above.

RULE 43 - SERVICE LETTERS

Employees whose applications are approved and who have been in the service one hundred and twenty (120) days or longer will, upon request if they leave the service of the Company, be furnished with a service letter showing length of service, capacity in which employed, and cause for leaving.

RULE 44 - SALARY DEFERRAL PLAN

(a) An employee salary deferral allows employees to contribute to a limited matching, tax-deferred plan.

(b) This plan shall continue for as long as the collective bargaining agreement between the Organization and the Company remains in effect, unless otherwise modified or terminated by mutual agreement between the Company and the Organization, or until prohibited by law.

(c) The plan shall be administered by the Company, or an administrator as may be selected by the Company, who shall have authority to amend, interpret, and implement the plan in accordance with its terms and conditions and all applicable laws and regulations.

(d) It is understood that this plan is intended to qualify as a tax-deferred plan under Section 401-K of the Internal Revenue Code and that the administrative costs of the plan will be assumed by the Company.

(e) The Company will provide matching funds at the rate of $.20 for each $1.00 of deferred income employees designate to their 401K, up to a maximum of $300.00 for each year of this agreement.

(f) If, at any future date during the moratorium period of this agreement, another represented craft on FEC is granted improved 401-K benefits in excess of those set forth in this rule, such improved benefits will be applied to the employees subject to this Agreement on an equal basis.

DATE EFFECTIVE AND CHANGES

(a) This agreement shall supersede all other rules, agreements, and understandings in conflict herewith and shall continue in effect until changed as provided herein or in accordance with the Railway Labor Act, as amended.

(b) Either party to this agreement may serve thirty days' written advance notice containing of its desire to revise or modify these rules after July 1, 2027, and conference shall be held within thirty (30) days of receipt of such notice, unless another date is mutually agreed upon.

(c) It is further understood and agreed by the parties of this agreement that no notice or work rules proposal which would have the effect of increasing rates of pay or increasing cost of operation of the Company will be submitted contemplating an effective date prior to January 1, 2028.

(d) This Rule will not bar management and union committees from agreeing upon any subject of mutual interest.

SIGNED at Jacksonville, Florida, this 1st day of March 2024.

FOR THE ORGANIZATION:

International Brotherhood of Electrical Workers

Mark Price
General Chairman, Local Union 871
International Brotherhood of Electrical Workers

FOR THE COMPANY:

Florida East Coast Railway Company

Robert J. Bullock, Jr.
Vice President & Chief People Officer
Florida East Coast Railway

APPENDIX 1

UNION SHOP AGREEMENT

Section 1.

In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the Carrier now or hereafter subject to the rules and working conditions Agreement between the parties hereto shall, as a condition of their continued employment subject to such agreements, become members of the Organization party to this Agreement within sixty (60) calendar days of the date they first perform compensated service as such employees after the effective date of this Agreement, and thereafter shall maintain membership in good standing in such Organization; except that such membership shall not be required of any individual until he has performed thirty (30) days of such compensated service within a period of twelve (12) consecutive calendar months. Nothing in this Agreement shall alter, enlarge, or otherwise change the coverage of the present or future rules and working conditions agreement.

Section 2.

(a) Employees who have secured seniority under the rules and working conditions Agreement and who are subsequently regularly assigned or transferred to full time employment not covered by such agreement or are furloughed on account of force reduction will not be required to maintain membership as provided in Section 1 of this Agreement so long as they remain in such other employment or furloughed as herein provided, but they may do so at their option. Should such employees return to any service covered by the said rules and working conditions Agreement they shall, as a condition of their continued employment subject to such Agreement, be required to become and remain members in good standing in the Organization within thirty (30) days from date of their return to such service.

(b) The seniority status and rights of employees granted leave of absence to serve in the Armed Forces shall not be terminated by reason of any of the provisions of this Agreement but such employees shall, upon resumption of employment, be governed by Section 1 of this Agreement.

Section 3.

Nothing in this Agreement shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member, or if the membership of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a

condition of acquiring or retaining membership. For purposes of this Agreement, dues, fees, and assessments, shall be deemed to be "uniformly required" if they are required of all employees in the same status at the same time in the same organizational unit.

Section 4.

(a) Each employee covered by the provisions of this Agreement shall be considered by a Carrier to have met the requirements of the Agreement unless and until the Carrier is advised to the contrary in writing by the organization. The organization will notify the Carrier in writing of any employee who by reason of failure to comply with the terms of this agreement is not entitled to continue in employment. Upon receipt of such notice, the Carrier will, as promptly as possible but within ten (10) calendar days of such receipt, so notify the employee concerned in writing by certified mail, return receipt requested, or by personal delivery evidenced by receipt. Copy of such notice shall be given the Organization. An employee so notified who disputes the fact that he has failed to comply with the terms of this Agreement, shall, within a period of ten (10) calendar days from the date of such notice, request the Company in writing to accord him a hearing which shall be held as soon as possible and within ten (10) calendar days of receipt of request therefore. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by certified mail, return receipt requested, or by personal delivery evidenced by receipt. Copy of notice of such hearing shall be given to the Organization and the Organization shall attend and participate in the hearing. The receipt by the Company of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the Carrier is rendered.

In the event the employee concerned fails to request a hearing as provided herein, the Carrier shall proceed to terminate his seniority and employment not later than thirty (30) calendar days from receipt of the above-described notice from the Organization, unless the Company and the Organization agree otherwise in writing.

(b) The Company shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this Agreement and shall render a decision accordingly. Such decision shall be rendered within ten (10) calendar days of the hearing date and the employee and the Organization shall be promptly advised thereof.

If the decision is that the employee has not complied with the terms of this Agreement, his seniority and employment shall be terminated within ten (10) calendar days of the date of said decision, unless the Company and the Organization agree otherwise in writing.

If the decision of the Company is not satisfactory to the employee or to the Organization, it may be appealed directly to the highest officer of the Company designated to handle such appeals. Such appeals shall be taken within ten (10) calendar days of the date of the decision appealed from, and if taken, shall operate to stay action on the termination of employment, until the decision on appeal is rendered. The Company shall promptly notify the other party in writing of any such appeal.

The decision on such appeal shall be rendered within ten (10) calendar days of the date the appeal is taken, and the employee and the Organization shall be promptly advised thereof.

If the decision on such appeal is that the employee has not complied with the terms of this Agreement, his seniority and employment shall be terminated within ten (10) calendar days of the date of said decision unless the Company and the Organization agree otherwise in writing. Such decision on appeal shall be final and binding unless within ten (10) calendar days thereof the Organization or the employee involved requests the selection of a neutral person as provided in Section 4(c) below. Any request for selection of a neutral person as provided in Section 4(c) below shall operate to stay action on the termination of seniority and employment until not more than ten (10) calendar days from the date decision is rendered by the neutral person.

(c) If within ten (10) calendar days after the date of a decision on appeal by the highest officer of the Company designated to handle appeals under this Agreement the Organization or the employee involved requests such highest officer in writing that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the Carrier designated to handle appeals under this Agreement or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person, any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral. The Company, the Organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty (30) calendar days from the date of receipt of the request for his appointment and shall be final and binding upon the parties. The Company, the employee, and the Organization shall be promptly advised thereof in writing. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the Company and the Organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the Company, the Organization, and the employee.

(d) The time periods specified in this section may be extended in individual cases by written agreement of the Company and the Organization.

(e) The Organization shall notify the Company in writing of the title(s) and address(es) of its representatives who are authorized to serve and receive the notices described in this Section. The Company shall notify the Organization of the title(s) and address(es) of its officers' representatives who are authorized to receive the notices described in this Section.

Section 5.

The Carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The determination of whether a qualified replacement is available shall be made jointly by the designated representative of the Company and the designated representative of the Organization. The Carrier may not, however, retain such employee in service under the provisions of this paragraph for a period in excess of ninety (90) calendar days

from the date of the Organization's original notice or sixty (60) calendar days from the date of the last decision rendered in accordance with Section 4 above. Employees whose service is extended under the provisions of this Section shall not, during such extension, retain or acquire any seniority rights.

Section 6.

An employee whose seniority and employment is terminated pursuant to the provisions of this Agreement shall have no time or money claims by reason thereof.

Section 7.

In the event that seniority and employment under the rules and working conditions Agreement is terminated by the Company under the provisions of this Agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the Organization shall indemnify and save harmless the Company against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment; provided, however, that this sentence shall not apply to any case in which the Company is the plaintiff or the moving party in the action which the aforesaid determination is made or in which case the Company acts in collusion with any employee; provided further, that the aforementioned liability shall not extend to the expense to the Company in defending suits by employees whose seniority and employment are terminated by the Company under the provisions of this Agreement.

Section 8.

Subject to terms and conditions hereinafter set forth, the Company will deduct from the wages of employees, membership assessments (excluding fines and dues, initiation fees and penalties) whenever applicable each month, all of which as may be uniformly required as a condition of the employees acquiring or retaining membership in the Organization and upon their written and unrevoked authorization on the form (Individual Authorization Form) agreed upon by the parties hereto.

The designated representative of the Organization shall promptly notify in writing the Officer or Officers designated by the Company of any special assessments or changes in amounts of fees or dues, and shall also furnish to such designated Officer or Officers of the Company, the individual authorization forms as provided for herein.

Section 9.

(a) Individual authorizations to be effective for a particular month must be in the possession of the Company not later than the twentieth (20^{th}) day of the month preceding the month in which such deductions are to be made.

(b) The designated representative of the Organization shall furnish to the Company an initial statement, in alphabetical order showing deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, not later than the fifth (5^{th}) day of the month in which the deductions become effective. Subsequent monthly deductions will be based on the initial statement, plus a monthly statement showing additions or deletions, furnished in the same manner as the initial statement required hereby.

Section 10.

Said deductions will be made only from wages earned each month and shall be remitted by check to the officer designated by the Organization not later than the end of the month in which deductions are made, accompanied by a list in alphabetical order showing the names of the employees for whom deductions were made, the amount of the deductions and the total amount of money deducted. If the earnings of the employees are insufficient in the month to permit the full amount of the deduction, no deduction will be made for that month. In the event of any excess or shortage in said deductions for an individual employee, said excess or shortage will be subject to adjustment by the Organization and the individual employee.

Section 11.

The following payroll deductions will have priority over the deductions covered by this Agreement:

Federal, state, and local taxes.
Other deductions required by law and court orders.
Amounts due Company

Section 12.

The deductions provided for herein shall not be effective with respect to any individual employee until the Company has been furnished with written authorization of assignment of wages of such monthly membership dues, initiation fees, reinstatement fees, and assessments. Such assignment shall be revocable in writing after the expiration of one year, or upon termination of this Agreement.

Section 13.

Responsibility of the Company under this arrangement shall be limited to remitting to the Organization the amount actually deducted from wages of employees pursuant hereto and the Company shall not be responsible financially or otherwise for failure to make deductions or for improper or inaccurate deductions. Any question arising as to the correctness of the amount deducted shall be handled between the employee involved and the Organization, and any complaints against the Company in connection therewith shall be handled by the Organization on behalf of the employee concerned.

Section 14.

The Organization shall indemnify and save harmless the Company from and against any and all claims, demands, liability, losses or damage resulting from the entering into this Agreement or arising or growing out of any dispute or litigation from any deductions made by the Company pursuant to this Agreement, except for remitting to the Organization the monies deducted pursuant to this Agreement; provided, however, that this sentence shall not apply to any case in which the Company is the plaintiff or the moving party in the action or in which the Company acts in collusion with any employee; provided further, that the aforementioned liability shall not extend to the expense of the Company in defending suits by employees as a result of the Company's action under this Agreement.

Section 15.

In the event of a change in representation of employees now represented by the Organization, this Agreement shall be automatically terminated as of the date official notification is received from the National Mediation Board of such change in representation.

SIDE LETTER 1

March 1, 2024

Mr. Mark Price
General Chairman, IBEW

Dear Mr. Price:

This refers to Rule 31-Vacation Pay. During our negotiations, we agreed to eliminate language affording vacation pay based on percentages of prior years' earnings. Employees hired before the end of calendar year 2013 were eligible for this benefit.

In exchange for the elimination of this program, and in recognition of the select employees who were previously eligible for this benefit, the Carrier agreed to a buyout of $1,000.00 per eligible employee. This sum is to be paid in four equal installments of $250.00, once per quarter in the calendar year 2024.

Employees must be working in a craft under the collective bargaining agreement at the time this agreement is executed in order to be eligible for this benefit. Employees who are dismissed or voluntarily leave the service of the Carrier prior to receiving a payment shall be deemed to have forfeited such payment. Employees who are dismissed from service and subsequently returned by a third party shall be eligible for any missed or remaining retroactive installments upon their return to service. Employees who retire from the service of the Carrier prior to receiving all four (4) installments, shall be paid the remaining balance in full, concurrent with their final time check.

Please contact me if you have any questions.

Respectfully,

Robert J. Bullock, Jr.
Chief People Officer

SIDE LETTER 2

March 1, 2024

Mr. Mark Price
General Chairman, IBEW

Dear Mr. Price:

This refers to Rule 28-Absenteeism. During our negotiations, we agreed to eliminate Rule 19-Incentive Days in preference for Personal Days. The following understanding outlines how the Carrier will handle accrued and unused Incentive Days:

The Incentive Day Program shall end with the signing of the amended agreement.

Employees may convert up to three (3) accrued Incentive Days to Personal Days by notifying the Carrier in writing on or before March 15, 2024. Thereafter, any days that are not elected to be converted or that exceed the three (3) day limit, shall be forfeited. These forfeited days shall be paid out at time and one half the regular straight time rate of pay of the last position worked in calendar year 2023.

Please contact me if you have any questions.

Respectfully,

Robert J. Bullock, Jr.
Chief People Officer