

AGREEMENT

Pursuant to the Award of the Arbitration Board

Established by and between

FLORIDA EAST COAST RAILWAY COMPANY

AND

***EMPLOYEES OF THE
SIGNALS & COMMUNICATIONS DEPARTMENT***

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

EFFECTIVE DATE: January 1, 2021

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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 Signals & Communications 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 Signals & Communications 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 (c) and engaged in the construction, repair, reconditioning, inspection, testing, and maintenance, either in shops or the field, of the following.

1. all signals, interlocking and signaling systems, centralized traffic control systems, automatic train controlling or stopping devices, highway crossing protection devices, and all other work generally recognized as signal work, but not including signaling apparatus and devices attached to or installed in locomotives and cars;
2. telegraph, telephone, and other communication systems within the jurisdiction of the Signals & Communications Department; and
3. other work under the jurisdiction of the Signals & Communications Department being performed by employees within the scope of this agreement on its effective date.

(c) 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) Foreman: An employee assigned to lay out and direct the work in a Signals & Communications Department shop or in a gang composed of Signals &

Communications Department employees will be classified as foreman. A foreman must remain with his men during work hours and must personally superintend and engage in the work of the gang.

- (2) Signals & Communications Electronics Technicians: an employee possessing an Associate's degree in electronics engineering technology, or its equivalent, in addition to a minimum of one (1) year's practical experience in field engineering repair and maintenance experience in repairing component parts of electronic equipment, including defect detector systems; radio systems and subsystems, including bases stations, mobile radios and hand held radio units; automatic train control and/or cab signal equipment; end-of-train detection systems; centralized traffic control equipment; data recording devices; various telephone equipment and switching devices; as well as fully qualified in the testing, repairing, rebuilding, and maintenance, either in the shop or in the field, of all other electronic and relay equipment used by the Signals & Communications Department.
- (3) Signals & Communications Lead Electronics Technician: an employee who leads the Electronics Technicians.
- (4) Leading Signalman: A signalman working with and supervising the work of one (1) or more signalmen, with or without their assistants and helpers, or a signalman who is required to supervise a portion of the work of a gang under the direction and instructions of a foreman shall be classified as a leading signalman. However, the number of employees so supervised shall not exceed a total of four (4) at any time.
- (5) Leading Maintainer: A maintainer regularly assisted by and held responsible for the work of one (1) or more maintainers, with or without their assistants or helpers, and who is regularly assigned to a section or plant shall be classified as a leading maintainer. However, the number of employees so supervised shall not exceed a total of four (4) at any time.
- (6) Signalman: A man qualified to perform work generally recognized as signal work and other mechanic's work within the jurisdiction of the Signals & Communications Department shall be classified as a signalman.
- (7) Maintainer: A man qualified to perform work generally recognized as signal work and other mechanic's work connected therewith and assigned to a designated section or territory to keep in operation and general repair all facilities under the jurisdiction of the Signals & Communications Department shall be classified as a maintainer.
- (8) Assistant Signalman and Assistant Maintainer: A man in training for the position of signalman or maintainer, performing work generally recognized as signal work, and such other mechanic's work under the jurisdiction of the Signals & Communications Department, and working under signalman or maintainer shall be classified as assistant signalman or assistant maintainer.

- (9) Signal Inspector: An employee who will test and /or inspect railroad signaling equipment and highway control devices according to layout plans and/or FRA regulations. Test and/or inspect signaling and traffic control devices; analyzes operational malfunctioning and testing devices to locate, diagnose and ascertain repairs to be made. Examines mechanisms and disassembles components to replace, clean, adjust, or repair parts, wires, relays, circuits, or signaling units. Operates, tests, and inspects equipment to ensure proper operation. Maintain records in electronic and/or written format of all tests, inspections, and repairs performed. Assists in training and qualifying other sub-classes covered in this agreement.

Prior to an employee establishing seniority in any of the above job classes, he shall be required to successfully complete and obtain a passing grade in a job-training program for each classification. However, employees currently in service as of the date of signing of this agreement will retain their full seniority rights as previously established, but will be required to successfully complete and pass an on-the-job training program (It is the Company's intent to develop a job-training program for each sub-classification).

(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 [c]) to independent contractors of the carrier's sole selection, however, utilization of sub-contractors will not be to the extent that the employees listed on the master seniority roster as of December 31, 2020 will be adversely affected. This provision supersedes all prior agreements or understandings pertaining to this subject.

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.

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 workers listed within the scope of this agreement represented by the IBEW.

The Carrier shall provide the Organization with the names and addresses of employees covered by this agreement. Further, the Carrier agrees to notice the Organization when employees are hired or leave the service of the Company.

(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 entire 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 the 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.

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.

(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 according to their qualifications 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:

Assistant Signalmen/Maintainers
Foremen
Signal Inspector
Leading Signalmen/Maintainers
Maintainer

Electronics Technicians
Lead Electronics Technicians
Signalmen

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 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 presented in this agreement.

(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 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 January 1, 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 upon demonstration that they have necessary qualifications to perform the duties of the assignment.

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.

(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.

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.

If an employee should disagree with the decision of the company to disqualify him from a position in accordance with paragraph (a) herein above, he shall have all rights to grievance procedures as set forth in Rule 13.

(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.

(e) An employee who disqualifies himself within the sixty- (60) day period may return to his former position or may bid on any bulletined job.

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. If not notified to the contrary within the time stated, it will be understood his application has been accepted.

Each new employee shall be evaluated after the first thirty-(30), sixty-(60), ninety-(90), one hundred and twenty (120) and one hundred and fifty (150) day periods 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 per Rule 5.

(b) Seven (7) calendar days' notice will be given, except, advance no advance notice will be required under emergency conditions such as flood, snowstorm, hurricane, earthquake, fire, 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. No such advance notice will be required for unlawful strike conditions.

(c) Employees whose positions are abolished, or whose seniority rights entitle them to regular positions, shall assert their seniority rights over junior employees within seven (7) calendar days; other employees affected may exercise their seniority rights in the same manner.

Employees must extend a minimum of twenty (20) hours' written notice to their supervisor, identifying the position on which he desires to assert such displacement rights, provided further, however, that when such displacement is effective on the first 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 five (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) calendar-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) calendar-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) calendar-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 master seniority.

(g) Employees who do not possess sufficient seniority to displace a junior employee or who do not assert their displacement rights 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) calendar days from the date actually reduced to the furloughed list, file his name, address and telephone number with his supervisor, 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 his supervisor and the Human Resources office of any changes in address 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 qualified furloughed employee may 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 receipt of notification by mail or telegraph 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 work 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 in their seniority districts, 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 herein above, 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 position or vacancies of less than thirty (30) days' duration may do so by filing written notice with his supervisor and 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 the criteria, he will not qualify for health care coverage.

RULE 11 – RE-ENTERING SERVICE

Employees voluntarily leaving the service will forfeit their seniority and will be terminated and, if they re-enter, will 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 all documentation to be presented at the hearing, and the employee's service record, at least twenty-four (24) hours prior to the hearing upon written notification by the employee that the Organization is representing the individual. When possible such documentation will be furnished to the 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) days after completion of the hearing, except in cases when the employee is held out of service pending a formal investigation in which case a decision must be rendered and transmitted in writing within ten (10) 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 Engineer, Signal & Communications 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 unsustained 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 Engineer, Signal & Communications, 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 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) An alternative workweek may be established from time to time consisting of four days of ten hours each, with three consecutive days off in each seven; the workweeks may be staggered in accordance with the Company’s operational requirements; so far as practicable the days off shall be Friday, Saturday, and Sunday.

Use of the four- (4) day workweek will apply only to construction and/or maintenance gangs.

(e) Other abnormal workweeks may be established from time to time consisting of less than four (4) days and less than forty (40) hours, in which case the Company, in consideration of the increase in productive time, will pay the employee a minimum forty- (40) hour workweek.

It is understood that positions worked in accordance with this paragraph shall be no less than three (3) workdays of ten (10) hours each. This paragraph may be invoked for special projects only and affected employees shall receive written notification of such change in assignments no less than five (5) workdays prior to commencement of the shortened workweek.

It is further agreed that the workdays for this paragraph shall be Friday, Saturday, and Sunday or Saturday, Sunday, and Monday; the remaining days of the week will be assigned as rest days.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

It is understood that all jobs cannot have such assigned rest days as set forth in paragraphs (f), (g), (h) and (i), therefore, there shall be no penalty to the Company in the event the named rest days are not assigned.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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, 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.

(o) 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.

(p) 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.

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.

Time in excess of ten (10) hours, exclusive of the meal period, on any day (twenty-four- [24] hour period) in an alternative and/or abnormal workweek as defined in Rule 14(d) and (e), will be considered overtime and paid for on the actual minute basis at the rate of time and one-half.

(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; employees worked more than three (3) or four (4) days in a workweek, as defined in Rule 14(d) and (e), shall be paid one and one-half times the basic straight time rate for work on the fourth (4th), fifth (5th), sixth (6th), or seventh (7th) days as applies; except where such work is performed by an employee due to moving from one assignment to another or to or from an extra or 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.

(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.

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 ten (10) calendar days, including date of advertisement. Bulletin will show location, title and description of position, rate of pay, assigned hours of service, meal period if granted, 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 ten (10) 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 ten (10) calendar days of date of posting of bulletin. Receipt of bids and applications shall close at Midnight on the tenth (10th) 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 ten (10) 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 ten (10) 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 eleventh (11th) 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. Regarding employees bidding for Signal Inspector positions, the Carrier has exclusive right of selection. In that regard, the Carrier will convene a meeting with the Department Head, the Highest Designated Officer (HDO), and the General Chairman to discuss the selection.

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

If there are no employees on the furloughed lists, the position will be re-advertised seven (7) calendar days from the date of closing of the first (1st) advertisement or declination by furloughed employees. If no bids are received, the position may then be filled 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 bids are received, the senior furloughed employee, holding seniority in the craft or sub-classification involved, will be forced to the job or vacancy and will remain thereon until displaced through the exercise of seniority or by bidding upon and becoming assigned to another permanent job or vacancy.

(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, the employee will be governed by the provisions of Rule 8.

(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 as permanent.

(b) Short vacancies will be filled by the senior furloughed employee desiring to work short vacancies, holding seniority in the sub-classification involved. Such 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 sub-classification 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 employees apply for leave of less than thirty (30) days' duration and then reapply for extension of that initial leave which totals more than thirty (30) days, the position shall be immediately bulletined as permanent.

RULE 18 – INCENTIVE TIME OFF

(a) Effective with the date of this agreement, employees who work each and every day of their regular assignment in a calendar quarter shall receive incentive time-off credit equal to eight (8) or ten (10) hours (dependent on assignment to an eight- [8] or ten- [10] hour day, respectively). Upon earning an eight- (8) or ten- (10) hour day, the employee may take one eight- (8) or ten- (10) hour day off or may carry the earned time over, up to nine (9) days. All incentive days must be taken subject to the requirements of service. Additionally, employees who work each and every day of their regular assignment in a calendar year and earns four (4) incentive days will receive one (1) extra day when awarded the incentive day for the fourth (4th) quarter, making the incentive day award for the year a total of five days.

(b) Employees absent from work with their position properly protected under Rule 28 (d), or because of time lost for official union business, holidays, vacations, incentive time-off day, safety days, jury duty, attending court, or to appear in investigation as a witness for the Company, shall not be disqualified from health incentive time-off credits if otherwise eligible pursuant to paragraph (a).

(c) Employees may be absent, with permission, for personal business not exceeding two (2) hours in a calendar day, two (2) days per quarter, without losing credits.

(d) Employees unavailable for overtime calls shall not be disqualified from incentive time off when otherwise eligible pursuant to this rule.

(e) Employees may take an incentive day preceding or following a holiday, with supervisory permission, consistent with the requirements of service.

(f) Employees who retire shall be paid for unused incentive days. Retirement for the purposes of this Rule is defined as an employee with a minimum of twenty (20) years of service with the Company.

RULE 19 – CHANGING ASSIGNED STARTING AND REST DAYS

Except as provided in Rule 14, all assignments shall have a fixed starting time which shall be the same each day and a designated point for the beginning and ending of tour of duty and the regular starting time shall not be changed without at least thirty-six (36) hours' advance notice to the employee, except in case of an emergency.

When the established starting time of a regular assignment is changed two (2) hours or more for more than thirty (30) consecutive days or either or both of the assigned rest days are changed, the employees affected may, within ten (10) calendar days thereafter, upon appropriate advance notice, exercise their seniority rights to any position held by a junior employee. If the employee exercises his seniority, the position will be advertised in keeping with Rules 16 and 17.

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.

RULE 22 – EXCHANGING POSITIONS

Exchange of positions will only be permitted in the same seniority class and with written approval of the Chief Engineer, Signal & Communications, his designee, and Human Resources. Such changes will be handled as soon as practical, subject to the requirements of service. Should the exchange of positions exceed thirty (30) days, it must be agreed to by the Organization. Such exchanges will not affect the seniority of either of the employees involved and will not be used to circumvent the seniority of any employee.

RULE 23 – HEADQUARTERS POINT

(a) Except for line-of-road employees, which nature of work requires them to live away from home in hotels or motels, employees will be assigned a designated headquarters which will be considered their home station. Maintainer positions will be assigned a designated headquarters and work district.

Headquarters and/or work districts will be named in the bulletin of advertisement per Rule 16.

For purposes of this Rule, employees assigned to work line-of-road will have their lodging and/or camp designated as their headquarters. However, designation of this location as their headquarters will not alter the Company's practice of providing meals, lodging, and transportation to employees working line-of-road positions.

(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) Line-of-road employees will be given allowances (travel and meals) at the current per diem rates for each workday of their designated workweek. Employees not traveling via Company equipment will receive a travel allowance of Twenty-seven Dollars (\$27.00) per day. On the effective date of this Agreement the meal allowance will be Thirty-Eight dollars (\$38.00) per day and will be increased by \$0.50 each January 1st thereafter until this Agreement becomes amendable.

(e) For line-of-road employees it is understood that in the repositioning of Company equipment after normal working hours, only the operator will be deemed to be working while so traveling.

Signal line-of-road employees who drive assigned Company equipment to and from their homes shall be compensated on the actual minute basis at the straight time rate: (1) for travel between the employee's home and the employee's designated headquarters point at the start of the

employee's workweek, and (2) for travel between the employee's designated headquarters point to the employee's home at the end of the employee's workweek.

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 headquarters the same day will be paid continuous time, exclusive of meal period, from time reporting for duty until released at headquarters; straight time for all straight time work; overtime for all overtime work, traveling or waiting. "Return to headquarters the same day" means return before the usual starting time the following day.

Per diem expenses will not be allowed while working at headquarters point and/or designated work districts.

(b) Employees performing service which requires them to leave their headquarters and who do not return to headquarters 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 during overtime hours.

Actual time at straight time rate will be paid for all time traveling between the end of the regular working hours of one day and the beginning of the regular working hours of the following day, except when at least eight (8) continuous hours of hotel accommodations are available to the employee, which it is permissible for him to use between the hours of 9:00 P.M. and 7:00 A.M.

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) It is understood that, in 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 HOME STATION

(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 and lodging are not provided by the Company, actual necessary expenses will be allowed. When lodging is provided, each employee shall be provided separate room accommodations.

(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 point 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.

RULE 26 – MEAL PERIOD

(a) 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 period of twenty (20) minutes shall be allowed to eat, without deduction in pay.

(b) 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 work would be 8:00 A.M.

(c) Employees required to work overtime two (2) hours or more continuous with regular assignment shall be allowed a second (2nd) meal period of twenty (20) minutes, without deduction in pay, before the beginning of the sixth (6th) hour after the end of the first (1st) meal period.

If the 20 minute period is not afforded within the agreed period and is worked, the 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 Leave & Medical 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 the 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.

Any employee granted a leave of absence will be required to take the same job he vacated, even though a senior employee has bid the assignment he vacated and all employees who have changed assignments as a result of the vacancy having been advertised as a permanent vacancy will return to their former assignments.

(g) 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.

(h) 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.

(i) 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.

(j) 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).

(k) 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 Serviceman'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.

(l) 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, upon written notice to the proper authority, may exercise his seniority over junior employees in his respective seniority subdivisions.

(m) 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) An employee detained from work on account of sickness, or for any other good cause, must notify the appropriate supervisor as early as possible.

(b) Employees desiring to be absent from work must secure permission twenty-four (24) hours in advance from appropriate supervisor. Requests will not be unreasonably denied.

(c) Employees laying off without permission may be subject to discipline.

(d) In instances in which employees mark off due to illness, if period of mark-off exceeds three (3) days, doctor's certificate releasing employee for return to work will be required.

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 pay at the rate and hours 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 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.

1. (a) An annual vacation of one (1) week 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 twenty (120) 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.

(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 ten (110) days during the preceding calendar year and has rendered compensated service in each of the three (3) years immediately preceding the year of vacation and has rendered compensated service on no less than three hundred and thirty (330) days during said

three- (3) year period, 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 ten (10) years immediately preceding the year of vacation and has rendered compensated service on no less than one thousand (1,000) days during said ten- (10) 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 fifteen (15) years immediately preceding the year of vacation and has rendered compensated service on no less than one thousand and five hundred (1,500) days during said fifteen- (15) 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) Those employees working three- (3) and four- (4) day workweeks as defined in Rule 14 will be credited with five (5) workdays toward vacation qualification days.

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

(g) 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.

(h) 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.

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) week's vacation may, at their option, take one (1) week of that vacation in single day increments. Employees qualified for three (3) weeks' 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 status, 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 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

1. Employees hired before the end of the calendar year 2013 shall be paid for vacation in the following manner:

(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 or one-fifty-second ($1/52^{\text{nd}}$) of his prior year's earnings, whichever is the greater.

(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 prior to the beginning of the vacation period or one-twenty-sixth ($1/26^{\text{th}}$) of his prior year's earnings, whichever is the greater.

(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 prior to the beginning of the vacation period or three-fifty-seconds ($3/52^{\text{nd}}$) of his prior year's earnings, whichever is the greater.

(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 prior to the beginning of the vacation period or one-thirteenth ($1/13^{\text{th}}$) of his prior year's earnings, whichever is the greater.

(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.

2. Employees hired after calendar year 2013 are not eligible to receive vacation pay on the basis of fractions of their previous year's earnings, and will receive only the hours of pay referenced above, at the rate of last service performed prior to the beginning of the vacation period.

3. 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.

4. 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.

5. 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.

6. 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 day 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) 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.

(f) No pay will be allowed for any day as to which an employee is entitled to holiday pay.

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:

Date	Maintainer	Signalman	Leading Signalman/Maintainer	Foreman	Signal Inspector	Electronics Technician	Lead Electronics Technician	Assistant Signalman/Maintainer
1/1/2018	\$ 27.42	\$ 26.91	\$ 28.34	\$ 29.33	\$ 30.30	\$ 30.30	\$ 30.58	\$ 25.59
1/1/2019	\$ 28.13	\$ 27.61	\$ 29.07	\$ 30.10	\$ 31.09	\$ 31.09	\$ 31.38	\$ 26.25
1/1/2020	\$ 28.88	\$ 28.35	\$ 29.84	\$ 30.89	\$ 31.91	\$ 31.91	\$ 32.21	\$ 26.95
1/1/2021	\$ 31.67	\$ 31.12	\$ 32.66	\$ 34.74	\$ 35.79	\$ 35.79	\$ 36.09	\$ 27.69
1/1/2022	\$ 34.22	\$ 33.66	\$ 35.24	\$ 37.54	\$ 38.62	\$ 38.62	\$ 38.93	\$ 28.52
1/1/2023	\$ 36.98	\$ 36.40	\$ 38.03	\$ 40.84	\$ 41.95	\$ 41.95	\$ 42.27	\$ 29.32
1/1/2024	\$ 38.01	\$ 37.42	\$ 39.09	\$ 41.98	\$ 43.12	\$ 43.12	\$ 43.45	\$ 30.14

The above wages represent a General Wage Increase (GWI) expressed as a percentage, as well as a Base Wage Increase (BWI) expressed as a dollar amount. The wages are increased first by the GWI, then by the BWI.

All sub-classifications will receive the following GWI increases:

2018 – 3.00%	2019 – 2.60%	2020 – 2.65%	2021 – 2.75%
2022 – 3.00%	2023 – 2.80%	2024 – 2.80%	

The BWI will be allocated to certain sub-classifications as follows:

Maintainer, Signalman, and Leading Signalman/ Maintainer:

2021 – \$2.00	2022 – \$1.60	2023 – \$1.80
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Foreman, Signal Inspector, Electronics Technician, Leading Electronics Technician:

2021 – \$3.00	2022 – \$1.75	2023 – \$2.25
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The General Wage Increase shall be paid retroactive to the amendable date of January 1, 2018 in three (3) equal installments. The first installment shall be disbursed on or before December 31, 2020, the second installment disbursed on 12/31/2021, and the third and final installment disbursed on 12/31/2022.

The Carrier will disburse retroactive payments to all current employees named on the seniority roster as of December 31, 2020; however, 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 three (3) installments, shall be paid the remaining balance in full, concurrent with their final time check.

All other increases become effective on the date the agreement becomes effective.

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

(b) New employees, upon establishing seniority in accordance with Rule 5 shall receive seventy-five (75) percent of the current rate of position held for the first one hundred and twenty (120) calendar days of service; eighty-five (85) percent of the current rate for the second one hundred and twenty (120) calendar days of service; ninety (90) percent for the third one hundred and twenty (120) calendar days of service; and one hundred (100) percent thereafter. This provision may be waived and the employee may receive the current rate if an agreement is reached between the Company and the Organization.

(c) Whenever an employee, except as covered by the conditions of paragraph (b) 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 tour of duty, if required to fill the place of an employee receiving a lower rate of pay, his rate shall not be changed.

(d) 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.

(e) 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.

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

(g) 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 within ninety-six (96) hours, if possible, unless they leave of their own accord prior to their first (1st) regular pay day.

(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 within two (2) days to the appropriate supervisor after close of the current pay period 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 wire cutting pliers and pocket knives which will be furnished by the employee.

(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) 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.

(d) Potable drinking water will be furnished.

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

(f) Each January, regardless of length of service, each employee subject to this agreement will qualify for a reimbursement of up to a maximum \$175.00 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 employment receives their start date. 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.

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 authorized 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 copy 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 he will take immediate action 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 continue to provide the same health care plan for all FEC employees, including those covered by this Agreement. The health care plan may be changed from time to time, but any changes must affect all employees in the same manner. Employee participation rates for the health care plan are shown below. A booklet outlining the coverage available will be furnished to each new employee and additional copies are available from Human Resources. 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. In 2019 and thereafter, the Company may offer additional health care plans as an option for interested employees.

The PPO 1 plan will cease to be offered after November 15, 2020. Employees who have enrolled into this plan may remain therein through December 31, 2021; however, when making their elections during the 2021 open enrollment period, they must select an alternate plan for benefit year 2022.

The PPO 1 contribution rate is as follows:

Employee:	\$ 95. per month
Employee plus one:	\$127. per month
Family:	\$170. per month

The PPO 2 employee contribution rate is the same for all employees, without regard to their status of “Employee, Employee plus one, or Family.” This PPO 2 contribution rate is as follows:

2019 & 2020:	\$ 225. per month
2021 & 2022:	\$ 246. per month
2023:	\$ 256. per month
2024:	\$ 276. per month

Note 1: For calendar year 2024, the rate listed above may increase or decrease, commensurate with the final rate negotiated by the Carrier with all other FEC Crafts represented by the IBEW.

The HDHP health care plan employee contributions will 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 plan 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.

RULE 45 THRU 52 - BLANKED

RULE 53 – SUBJECT TO CALL

(a) Employees who are subject to call and desire to leave their home station will notify their immediate supervisor and train dispatcher that they will be absent and about when they will return. Unless registered absent, regular assignee will be called.

(b) Signals & Communications Department employees will be subject to call, by phone, outside of their normally scheduled work period.

The Carrier will provide one (1) cell phone with accompanying voice line per employee who is subject to call. The cell phone is the Carrier's property and must be returned when an employee leaves the service of the Carrier, or any time upon demand.

The employee, in his sole discretion, may provide an alternative phone number in which he may be reached, with the understanding that he will remain subject to Rule 53 (a) of this agreement. The Carrier provided phone will be the primary line used for calls, and the employee provided line will be secondary.

In the limited circumstance wherein an employee encounters ongoing non-existent reception at his primary residence on file with the Carrier, he must report same to his supervising officer. If an employee has previously reported an ongoing issue as outlined herein, and chosen not to provide an alternative phone number, he will not be subject to discipline for missing a call while he is at his residence; however, he may not lay claim to hours not worked for missing such call, and will not be considered "available" as it relates to section (c) of this rule.

(c) Weekend (off day) and holiday coverage will be accomplished by a locally agreed process, which contains the following elements:

1. Coverage is qualification and seniority driven, with the senior qualified employee enjoying the right of refusal as long as there is a junior qualified employee in the instant coverage zone who may be called for service.

The only exception to this is establishment of a pilot program for a four (4) month period following the effective date of this agreement wherein the junior qualified employee in each zone is guaranteed one (1) full weekend off duty every four weeks. At the conclusion of this pilot program the Highest Designated Officer (HDO) and the General Chairman may meet and agree to go forward with this program for an additional six (6) months. Thereafter, the program will automatically renew for additional six (6) month increments unless cancelled in writing by either party, with thirty (30) days' notice.

2. Coverage zones will be defined for weekend call out work; 4 zones for the territory from MP 281 (Palm Beach Gardens) to the south end of the railroad (10 Sections), and 3 zones for the territory north of MP 281 (11 Sections).
3. It is understood that as of the date of this writing sections are a minimum of twenty-one (21), and that number may be increased (and or decreased) by the Carrier as additional infrastructure, signals, etc. may be added to allow the Carrier to serve its customers.
4. Call lists will be established within each coverage zone, which will set forth who will stand for weekend calls.
5. The parties will reach agreement locally as to how to populate the call lists, and how such lists will operate (e.g., by seniority vs. rotating, alternating lists for alternating weekends, etc.).
6. The purpose of said list is to determine which employee on each zone will stand for payment of standby time (as described below) for protecting weekend calls.
7. The qualified employees in each zone will be expected to protect their call list.
8. The call lists will protect weekend calls from 12:01 a.m. on Saturday through 11:59 p.m. on Sunday; on assigned work days, the current practice shall continue.
9. For each calendar weekend (off day) day and holiday, the person standing for call by virtue of the call list described above shall be entitled to a payment of three (3) hours at the time and one-half rate for being available for such service. This payment shall be made whether or not such employee is actually called out and performs service on such date.

10. Arrangements will be made each Friday before close of business for the supervisor to provide a list to the dispatcher regarding who stands for weekend call under such lists.
11. After this process has been implemented and operated for a period of six (6) months, at the request of either party, the parties will meet to review the process and resolve any issues that may have arisen.

(d) When a special project is not otherwise assigned to line-of-road employees or maintenance and construction gangs, signal maintainers shall be offered right of refusal for a special project in the following order:

1. Signal Maintainer in whose assigned section the special project will occur.
2. Signal Maintainer(s) in seniority order, in the zone in which the special project will occur.
3. Signal Maintainer(s), in combined seniority order, in the zone(s) adjacent to the zone in which the special project will occur.

If all of the Signal Maintainers referenced in the above paragraph decline the special project, the junior maintainer in the zone in which the special project will occur will be forced to work the special project.

Signal Maintainers assigned to work special projects under this rule may mark off at the conclusion of their assigned workday prior to the special project; however, they may remain available for additional calls at their discretion. It shall be the responsibility of the assigned Signal Maintainer to ensure he marks off with sufficient time to obtain his rest in order to report to the special project at the specified start time.

Signal Maintainers assigned to work special projects under this section will not be assigned to the call list under section (c) of this rule on the day prior to, or day of the special project, however, he may be assigned to the call list the day following the special project.

While it is the intent of the Carrier that the assigned Signal Maintainer be used exclusively for the special project, from time to time, the Carrier may require the assigned Signal Maintainer to respond to calls or assist a zone maintainer in responding to a call, with the understanding that the zone maintainer scheduled will not be negatively impacted.

“Negatively impacted” as referenced in the preceding paragraph means the zone maintainer shall be called for service in their zone regardless of any assistance afforded by a maintainer working a special project; however, it is understood that any issues that may arise as a result of the special project are the responsibility of the maintainer assigned to work the special project, and the zone maintainer may not be called.

Nothing in this rule shall be construed as a restriction of the Carrier’s right to require Signal Maintainers to work special projects in accordance with Rule 15(e) of this agreement.

DATE EFFECTIVE AND CHANGES

(a) This agreement is effective January 1, 2021 and 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 January 1, 2024, 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, 2025.

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

SIGNED at Jacksonville, Florida, this 29th. day of December 2020.

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



Nathan Asplund
President and Chief Executive 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 (20th) 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 (5th) 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

Date: December 29, 2020

Mr. Mark Price
General Chairman, IBEW

Dear Mr. Price:

This refers to Rule 41-Health and Welfare Benefits and your request concerning the High Deductible Health Plan (HDHP) and the PPO1 Plan, referred to in Rule 41.

The HDHP Plan was and remains available to employees who were employed prior to the Effective Date of the collective bargaining agreement (CBA). The Carrier has the exclusive right to modify this plan design and to set employee contribution rates each year the Plan is offered. The employee participation rates for the HDHP in 2020 is as follows:

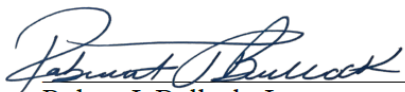
Single: \$60.00 per month Company contribution to HSA: \$500.00 per annum

Family: \$120.00 per month Company contribution to HSA: \$1,000.00 per annum

Such rates and contributions are established just prior to annual open enrollment into the coming year's health care plan offerings.

Please contact me if you have any questions.

Respectfully,



Robert J. Bullock, Jr.
Manager Labor Relations

I concur,



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