

A G R E E M E N T

THIS AGREEMENT, made this 15th day of October, 1982 by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the United Transportation Union, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - GENERAL WAGE INCREASES

Section 1 - First General Wage Increase (for others than Dining Car Stewards and Yardmasters)

- . (a) Effective April 1, 1981, all standard basic daily and mileage rates of pay of employees represented by the United Transportation Union in effect on March 31, 1981 shall be increased by an amount equal to 2 percent. The cost-of-living allowance of 58 cents per hour in effect on March 31, 1981 will not be included with basic rates in computing the amount of this increase.
- . (b) In computing the increase for enginemen under paragraph (a) above, 2 percent shall be applied to the standard basic daily rates of pay, and 2 percent shall be applied to the standard mileage rates of pay, respectively, applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily or mileage rate of pay:

Passenger - 600,000 and less than 650,000 pounds

Freight - 950,000 and less than 1,000,000 pounds

(through freight rates)

Yard Engineers - Less than 500,000 pounds

Yard Firemen - Less than 500,000 pounds

- . (separate computation covering five-day rates and other than five-day rates)
- . (c) The standard basic daily and mileage rates of pay produced by application of the increases provided for in

this Section 1 are set forth in Appendix 1, which is a part of this Agreement.

. Section 2 - Second General Wage Increase (for others than Dining Car Stewards and Yardmasters)

. Effective October 1, 1981, all standard basic daily and mileage rates of pay of employees represented by the United Transportation Union in effect on September 30, 1981, shall be increased by an amount equal to 3 percent, computed and applied for enginemen in the manner prescribed in Section 1 above. The cost-of-living allowance of 90 cents per hour in

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effect on September 30, 1981 will not be included with basic rates in computing the amount of this increase. The standard basic daily and mileage rates of pay produced by application of this increase are set forth in Appendix 2, which is a part of this Agreement.

Section 3 - Third General Wage Increase (for others than Dining Car Stewards and Yardmasters)

Effective July 1, 1982, all standard basic daily and mileage rates of pay of employees represented by the United Transportation Union in effect on June 30, 1982, shall be increased by an amount equal to 3 percent, computed and applied for enginemen in the manner prescribed in Section 1 above. The cost-of-living allowance of \$1.25 per hour in effect on June 30, 1982 will not be included with basic rates in computing the amount of this increase. The standard basic daily and mileage rates of pay produced by application of this increase are set forth in Appendix 3, which is a part of this Agreement.

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

Effective July 1, 1983, all standard basic daily and mileage rates of pay of employees represented by the United Transportation Union in effect on June 30, 1983, shall be increased by an amount equal to 3 percent, computed and applied for enginemen in the manner prescribed in Section 1 above. The amount of the cost-of-living allowance which will be in effect on June 30, 1983 will not be included with basic rates in computing the amount of this increase. The standard basic daily and mileage rates of pay produced by application of this increase are set forth in Appendix 4, which is a part of this Agreement.

Section 5 - Application of Wage Increases

- . (a) (i) In engine service, all arbitraries, miscellaneous rates or special allowances, based upon mileage, hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be increased commensurately with the wage increases provided for in this Article I.
- . (ii) In train and yard ground service, arbitraries, miscellaneous rates or special allowances, including those expressed in terms of miles, as provided in the schedules or wage agreements, shall be increased under this Agreement in the same manner as heretofore increased under previous wage agreements.
- . (b) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.
- . (c) Daily earnings minima shall be increased by the amount of the respective daily increase.
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- . (d) Standard monthly rates and money monthly guarantees in passenger train service shall be thirty times the new standard daily rates. Other than standard monthly rates and money monthly guarantees shall be so adjusted that differentials existing as of March 31, 1981 shall be preserved.
- . (e) Existing monthly rates and money monthly guarantees applicable in train service other than passenger will be increased in the same proportion as the daily rate for the class of service involved is increased.
- . (f) Existing money differentials above existing standard daily rates shall be maintained.
- . (g) In local freight service, the same differential in excess of through freight rates shall be maintained.
- . (h) The differential of \$4.00 per basic day in freight and yard service, and .4 per mile for miles in excess of 100 in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.
- . (i) In computing the increases in rates of pay effective April 1, 1981 under Section 1 for firemen, conductors,

brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of 100 miles or less which are therefore paid on a daily basis without a mileage component, whose rates had

been increased by "an additional \$.40" effective July 1, 1968, the 2 percent increase shall be applied to daily rates in effect March 31, 1981, exclusive of car scale additives, local freight differentials, and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases of 3 percent effective October 1, 1981, 3 percent effective July 1, 1982, and 3 percent effective July 1, 1983. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendices 1, 2, 3 and 4, which are a part of this Agreement.

(j) Other than standard rates:

(i) Existing basic daily and mileage rates of pay other than standard shall be increased, effective as of the effective dates specified in Sections 1 through 4 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

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(ii) The differential of \$4.00 per basic day in freight and yard service, and .4¢ per mile for miles in excess of 100 in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.

(iii) Daily rates of pay, other than standard, of firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of 100 miles or less which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections 1 through 4 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (i) above.

- . (k) Wage rates resulting from the increases provided for in Sections 1, 2, 3 and 4 of this Article I, and in Section 1(g) of Article II, will not be reduced under Article II.

Section 6 - General Wage Increases for Dining Car Stewards and Yardmasters

Effective April 1, 1981 all basic monthly rates of pay of dining car stewards and yardmasters represented by the United Transportation Union in effect on March 31, 1981 shall be increased by 2 percent. The cost-of-living allowance of 58¢ per hour in effect on March 31, 1981 will not be included with basic rates in computing the amount of this increase.

The rates produced by such increase shall be further increased as follows:

Effective October 1, 1981 - 3%

- . The cost-of-living allowance of 90 cents
- . per hour in effect on September 30, 1981
- . will not be included with basic rates in
- . in computing the amount of this increase.

Effective July 1, 1982 - 3%

- . The cost-of-living allowance of \$1.25
- . per hour in effect on June 30, 1982 will
- . not be included with basic rates in
- . computing the amount of this increase.

Effective July 1, 1983 - 3%

- . The amount of the cost-of-living
- . allowance which will be in effect on
- . June 30, 1983 will not be included
- . with basic rates in computing the
- . amount of this increase.

Rates of pay resulting from the increases provided for in this Section 6, and Section 1(g) of Article II, will not be reduced under Article II.

ARTICLE II - COST-OF-LIVING ADJUSTMENTS

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

- . (a) A cost-of-living adjustment increase of 32 cents per hour will be made effective July 1, 1981. The amount of such adjustment will be added to the cost-of-living allowance of 58 cents per hour remaining in effect. As result of such adjustment, the cost-of-living allowance effective July 1, 1981 will be 90 cents per hour.
- . (b) A further cost-of-living adjustment increase of 35 cents per hour will be made effective as of January 1, 1982. The amount of such adjustment will be added to the cost-of-living allowance of 90 cents per hour remaining in effect. As result of such adjustment the cost-of-living allowance effective January 1, 1982 will be \$1.25 per hour.
- . (c) A further cost-of-living adjustment increase of 22 cents per hour will be made effective as of July 1, 1982. The amount of such adjustment will be added to the cost-of-living allowance of \$1.25 per hour remaining in effect. As result of such adjustment the cost-of-living allowance effective July 1, 1982 will be \$1.47 per hour.
- . (d) The cost-of-living allowance resulting from the adjustments provided for in paragraphs (a), (b) and © above will subsequently be adjusted, in the manner set forth in and subject to all the provisions of paragraphs (h) and (i) below, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967 100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the BLS Consumer Price Index. The first such cost-of-living adjustment shall be made effective January 1, 1983, based (subject to paragraph (h)(i) below) on the BLS Consumer Price Index for September 1982 as compared with the index for March 1982. Such adjustment, and further cost-of-living adjustments which will be made effective the first day of each sixth month thereafter, will be based on the change in the BLS Consumer Price Index during the respective measurement periods shown in the following table subject to the exception in paragraph (h)(ii) below, according to the formula set forth in paragraph (i) below:

Measurement Periods Effective Date

Base Month Measurement Month of Adjustment

(1) (2) (3)

March 1982 September 1982 January 1, 1983

September 1982 March 1983 July 1, 1983

March 1983 September 1983 January 1, 1984

- . (e) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight time, overtime, vacations, holidays and to special allowances and arbitraries in the same manner as basic wage adjustments have been applied in the past.

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

- . (g) On December 31, 1983 the cost-of-living allowance in effect on January 1, 1983 shall be rolled into basic rates of pay and the cost-of-living allowance remaining in effect will be reduced by a like amount. On June 30, 1984, 50% of the cost-of-living allowance then in effect (rounded to the next higher cent if the allowance consists of an odd number of cents) shall be rolled into basic rates and the cost-of-living allowance remaining in effect will be reduced by a like amount.

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

Effective Date Maximum C.P.I. Increase

of Adjustment Which May Be Taken into Account

. (1) (2)

January 1, 1983 4% of March 1982 CPI

July 1, 1983 8% of March 1982 CPI, less the increase from March, 1982 to September, 1982.

January 1, 1984 4% of March 1983 CPI

(ii) If the increase in the BLS Consumer Price Index from the base month of March 1982 to the measurement month of September 1982, exceeds 4% of the March base index, the measurement period

which will be used for determining the cost-of-living adjustment to be effective the following July I will be the twelve-month period from such base month of March; the increase in the index which will be taken into account will be limited to that portion of increase which is in excess of 4% of such March base index, and the maximum increase in that portion of the index which may be taken into account will be 8% of such March base index less the 4% mentioned in the preceding clause, to which will be added any residual

tenths of points which had been dropped under paragraph (i) below in calculation of the cost-of-living adjustment which will have become effective January 1 during such measurement period.

- . (iii) Any increase in the BLS Consumer Price Index from the base month of March 1982 to the measurement month of March 1983 in excess of 8% of the March 1982 base index, will not be taken into account in the determination of subsequent cost-of-living adjustments.

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- . (i) Formula. The number of points change in the BLS Consumer Price Index during a measurement period, as limited by paragraph (h) above, will be converted into cents on the basis of one cent equals 0.3 full points. (By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted.)

- . The cost-of-living allowance in effect on July 1, 1982 as result of application of Section 1© will be adjusted (increased or decreased) effective January 1, 1983 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (h) above, in the BLS Consumer Price Index during the measurement period from the base month of March 1982 to the measurement month of September 1982. Any residual tenths of a point resulting from such division will be dropped. The result of such division will be added to the amount of the cost-of-living allowance in effect on July 1, 1982 if the Consumer Price Index will have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index will have been lower at the end than at the beginning of the measurement period.

The same procedure will be followed in applying subsequent adjustments.

- . (j) Continuance of the cost-of-living adjustments is dependent upon the availability of the official monthly BLS

Consumer Price Index (CPI-W) calculated on the same basis as such Index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor, should during the effective period of this Agreement revise or change the methods or basic data used in calculating the BLS Consumer Price Index in such a way as to affect the direct comparability of such revised or changed index with the CPI-W index during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W Index during such measurement period.

Section 2 - Application of Cost-of-Living Adjustments

In application of the cost-of-living adjustments provided for by Section 1 of this Article II, the cost-of-living allowance will not become part of basic rates of pay except as provided in Section 1(g). Such allowance will be applied as follows:

- . (a) For others than dining car stewards and yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Sections 2, 3 and 4 of Article I and by Section 1(g) of this Article II. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Section 5 of Article I.
- . (b) For dining car stewards, each one cent per hour of cost-of-living allowance will be treated as an increase of \$1.80 in the monthly rates of pay produced by application of Section 6 of Article I and by Section 1(g) of this Article II.
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- . (c) For yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of \$2.00 in the monthly rates of pay produced by application of Section 6 of Article I and by Section 1(g) of this Article II.

ARTICLE III - VACATIONS

Insofar as applicable to employees represented by the United Transportation Union, the Vacation Agreement dated April 29, 1949, as amended, is further amended effective January 1, 1982, by substituting the following Section 1(c), 1(d) and 1(h) for the corresponding provisions contained in Section 1, as previously amended:

© Effective January 1, 1982, each employee, subject to the scope of schedule agreements held by the organizations signatory to the

April 29, 1949 Vacation Agreement, having eight or more years of continuous service with employing carrier will be qualified for an annual vacation of three weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement amounting to one hundred sixty (160) basic days in miles or hours paid for as provided in individual schedules and during the said eight or more years of continuous service renders service of not less than one thousand two hundred and eighty (1280) basic days in miles or hours paid for as provided in individual schedules.

Beginning with the effective date of the provisions of Article 3 of Agreement "A" dated September 25, 1950, May 25, 1951 or May 23, 1952, on an individual carrier, but not earlier than the year 1960, in the application of this Section 10 each basic day in yard service performed by a yard service employee or by an employee having interchangeable road and yard rights shall be computed as 1.6 days, and each basic day in all other services shall be computed as 1.3 days, for purposes of determining qualifications for vacations. (This is the equivalent of 100 qualifying days in a calendar year in yard service and 120 qualifying days in a calendar year in road service.) (See NOTE below.)

Beginning with the year 1960 on all other carriers, in the application of this Section 10 each basic day in all classes of service shall be computed as 1.3 days for purposes of determining qualifications for vacation. (This is the equivalent of 120 qualifying days.) (See NOTE below.)

- . (d) Effective January 1, 1982, each employee, subject to the scope of schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement, having seventeen or more years of continuous service with employing carrier will be qualified for an annual vacation of four weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement amounting to one hundred sixty (160)

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basic days in miles or hours paid for as provided in individual schedules and during the said seventeen or more years of continuous service renders service of not less than two thousand seven hundred and twenty (2720) basic days in miles or hours paid for as provided in individual schedules.

Beginning with the effective date of the provisions of Article 3

of Agreement "A" dated September 25, 1950, May 25, 1951 or May 23, 1952, on an individual carrier, but not earlier than the year 1960, in the application of this Section 1(d) each basis day in yard service performed by a yard service employee or by an employee having interchangeable road and yard rights shall be computed as 1.6 days, and each basic day in all other services shall be computed as 1.3 days, for purposes of determining qualifications for vacations. (This is the equivalent of 100 qualifying days in a calendar year in yard service and 120 qualifying days in a calendar year in road service.) (See NOTE below.)

Beginning with the year 1960 on all other carriers, in the application of this Section 1(d) each basic day in all classes of service shall be computed as 1.3 days for purposes of determining qualifications for vacation. (This is the equivalent of 120 qualifying days.) (See NOTE below.)

(The NOTE referred to in Sections 1(e) and 1(d) above reads as follows:

"NOTE: In the application of Section 1(a), (b), ©, (d) and (e), qualifying years accumulated, also qualifying requirements for years accumulated, prior to the effective date of the respective provisions hereof, for extended vacations shall not be changed.")

(h) Where an employee is discharged from service and thereafter restored to service during the same calendar year with seniority unimpaired, service performed prior to discharge and subsequent to reinstatement during that year shall be included in the determination of qualification for vacation during the following year.

Where an employee is discharged from service and thereafter restored to service with seniority unimpaired, service before and after such discharge and restoration shall be included in computing three hundred twenty (320) basic days under Section 1(b), one thousand two hundred and eighty (1280) basic days under Section 1©, two thousand seven hundred and twenty (2720) basic days under Section 1(d), and four thousand (4000) basic days under Section 1(e).

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ARTICLE IV - HOLIDAYS

Effective January 1, 1983, the national holiday provisions will be revised to add the day after Thanksgiving Day and to substitute New Year's Eve (the day before New Year's Day is observed) for Veterans Day.

The holiday pay qualifications for Christmas Eve - Christmas shall also be applicable to the Thanksgiving Day - day after Thanksgiving Day and the New Year's Eve - New Year's Day holidays.

ARTICLE V - HEALTH AND WELFARE BENEFITS

Section 1. Continuation of Plan

The benefits now provided under The Railroad Employees National Health and Welfare Plan, modified as provided below, will be continued subject to the provisions of the Railway Labor Act, as amended. Contributions to the Plan will be offset by the expeditious use of such amounts as may at any time be in Special Account A or in one or more special accounts or funds maintained by the insurer in connection with Group Policy Contract GA-23000, and by the use of funds held in trust that are not otherwise needed to pay claims, premiums or administrative expenses which are payable from trust. Detailed contract language effectuating all changes in the Plan called for by this Agreement will be worked out by the joint Policyholder Committee with the insurer.

Section 2. Benefit Changes

The following benefit changes will be made effective on the first day of the month after the month in which this Agreement becomes effective:

- . (a) Life Insurance - The maximum life insurance benefit for active employees will be increased from \$6,000 to \$10,000.
- . (b) Accidental Death, Dismemberment and Loss of Sight - The maximum accidental death, dismemberment and loss of sight benefit, called the "Principal Sum" in Group Policy Contract GA-23000, will be increased from \$4,000 to \$8,000. Those accidental death, dismemberment and loss of sight benefits that are payable in the amount of one-half the Principal Sum will thus be increased from \$2,000 to \$4,000.
- . (c) Hospital Miscellaneous Benefits - The provision for reimbursement for hospital charges for medical care and treatment (other than charges for room and board, nurses', and physicians' and surgeons' fees), and the excess of charges for intensive care in an intensive care unit over the amount payable otherwise, shall be increased from "not more than \$2,000 plus 80% of the excess over \$2,000," to "not more than \$2,500 plus 80% of the excess over \$2,500."
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- . (d) Surgical Expense Benefit -

. (i) The maximum surgical benefit for all surgical procedures due to the same or related causes, as well as the maximum basic benefit for any one surgical procedure, will be increased from \$1,000 to \$1,500; and the \$1,000 E Surgical Schedule will be replaced by a \$1,500 E Surgical Schedule.

. (ii) No surgical expense benefits described in Part E of Article VII of Group Policy Contract GA-23000 will be payable under the Plan with respect to any non-emergency surgical procedure listed below and described in Schedule I to Policy Contract GA-23000 unless the opinions of two surgeons with respect to the medical necessity of the procedure have first been obtained and at least one of those opinions recommends the procedure. Major medical expense benefits described in Part J of such Article will, however, be payable with respect to such a procedure whether or not the opinion of a second surgeon is obtained. The surgical procedures referred to above are:

1. Breast Surgery 7. Gall Bladder Operations
2. Bunion Surgery 8. Knee Surgery
3. Cataract Surgery 9. Prostate Operations
4. Hemorrhoid Operations 10. Rhinoplasty
5. Hernia Repairs 11. Tonsillectomy & Adenoidectomy
6. Hysterectomy 12. Varicose Vein Operations

. (e) Radiation Therapy Expense Benefits - The radiation therapy expense benefits and the schedule listing them will be broadened to include chemotherapy treatments; the overall combined maximum radiation therapy and chemotherapy expense benefits for any one person during any one calendar year will be increased from \$400 to \$600; and the overall combined maximum radiation therapy and chemotherapy expense benefits for any one person for any one accident or sickness will be increased from \$400 to \$600.

. (f) X-Ray or Laboratory Examinations - The maximum medical expense benefit for x-ray and laboratory examinations of any one person during any one calendar year will be increased from \$150 to \$250.

. (g) Physician's Fee Benefit

. (i) The maximum amount payable on behalf of an employee or dependent for physician's charges for visits while the employee or dependent is confined as a hospital in-patient will be increased from \$10.00 to \$12.00 per day of such

confinement, and the maximum so payable during any one period of hospital confinement will be increased from \$3,650 to \$4,380.

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(ii) The maximum amount payable for physician's office visits by an employee shall be increased from \$10.00 to \$12.00, and for home visits from \$12.00 to \$15.00, per visit, limited as at present to one home or office visit per day and a maximum of 180 such visits in a 12-month period; no benefit payable for the first visit on account of injury or first three visits on account of sickness.

(h) Major Medical Expense Benefits - The maximum aggregate amount payable as major medical expense benefits with respect to any eligible employee or dependent during such person's entire lifetime will be increased from \$250,000 to \$500,000.

(i) Hospital Emergency Room - To the extent not otherwise covered under the Plan, benefits will be payable for expenses in excess of \$50 incurred for the use of hospital emergency room by a covered employee or dependent. To the extent the first \$50 of such expenses are not covered by the Plan, they will count toward reaching the cash deductible amount of \$100 under the major medical expense benefits provisions of the Plan.

Section 3. Eligibility

The provision under which a new employee becomes a Qualifying Employee, and may become covered and eligible for benefits, on the first day of the first calendar month starting after such employee has completed 60 continuous days during which he has maintained an employment relationship, will be changed to provide that a new employee (employed on or after the first day of the calendar month following the month in which this agreement is executed) will become a Qualifying Employee on the first day of the first calendar month starting after the day on which such employee first performs compensated service; provided, however, that no employee or dependent health benefits described in Article VII of Group Policy Contract GA-23000, other than the major medical benefits described in Part J thereof, will be payable to or on behalf of an employee until the expiration of twelve months after the month during which he first performs compensated service.

Section 4. Coverage for Dependents Health Benefits

If an employee is covered immediately prior to his death with respect to an eligible dependent's health benefits described in

Article VII of Group Policy Contract GA-23000, such coverage will continue with respect to those benefits until the end of the fourth month following the month in which the employee's death occurred.

Section 5. Suspended and Dismissed Employees

An employee who is suspended or dismissed from service and is thereafter awarded full back pay for all time lost as a result of such suspension or dismissal will be covered under the Plan as if he or she had not been suspended or dismissed in the first place.

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ARTICLE VI - DENTAL BENEFITS

Section 1. Continuation of Plan

The benefits now provided under The Railroad Employees National Dental Plan, modified as provided below, will be continued subject to the provisions of the Railway Labor Act, as amended. Detailed contract language effectuating all changes in the Plan called for by this Agreement will be worked out by the National Carriers' Conference Committee with the insurer.

Section 2. Benefit Changes

The following benefit changes will be made effective on the first day of the month after the month in which this Agreement becomes effective:

- . (a) The maximum benefit (exclusive of any benefits for orthodontia) which may be paid with respect to a covered employee or eligible dependent in any calendar year will be increased from \$750 to \$1,000.
- . (b) The maximum aggregate benefit payable for all orthodontic treatment rendered to an eligible dependent child under the age of 19 during his or her lifetime will be increased from \$500 to \$750.
- . (c) The benefit payable with respect to the Type A dental expenses described below will be increased to 100% (from 75%) of such expenses, but only to the extent that they exceed the deductible amount, which will not be changed:
 - . a. Routine oral examinations and prophylaxis (scaling and cleaning of teeth), but not more than once each in any period of 6 consecutive months.
 - . b. Topical application of fluoride for dependent children, but not more than once in any calendar year.

- . c. Space maintainers designed to preserve the space created by the premature loss of a tooth in a child with mixed dentition until normal eruption of the permanent tooth takes place.
- . d. Emergency palliative treatment (to alleviate pain or discomfort).
- . e. Dental x-ray, including full mouth x-rays (but not more than once in any period of 36 consecutive months), supplementary bitewing x-rays (but not more than once in any period of 6 consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment.

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ARTICLE VII - EARLY RETIREMENT MAJOR MEDICAL BENEFITS

Section 1. Continuation of Plan

The benefits now provided under The Railroad Employees National Early Retirement Major Medical Benefit Plan, modified as provided below, will be continued subject to the provisions of the Railway Labor Act, as amended. Detailed contract language effectuating all changes in the Plan called for by this Agreement will be worked out by the National Carriers' Conference Committee with the insurer.

Section 2. Benefit Changes

The following benefit change will be made effective on the first day of the month after the month in which this Agreement becomes effective: The maximum amount payable with respect to any retired or disabled employee covered by the Plan or to any eligible dependent of such a retired or disabled employee will be increased from \$50,000 to \$75,000.

ARTICLE VIII - NATIONAL HEALTH LEGISLATION

In the event that national health legislation should be enacted, benefits provided under The Railroad Employees National Health and Welfare Plan, The Railroad Employees National Early Retirement Major Medical Benefit Plan, and The Railroad Employees National Dental Plan with respect to a type of expense which is a covered expense under such legislation will be integrated so as to avoid duplication, and the parties will agree upon the disposition of any resulting savings.

ARTICLE IX - EXPENSES AWAY FROM HOME

Effective December 1, 1982, the meal allowance provided for in Article II, Section 2, of the June 25, 1964 National Agreement, as amended, is increased from \$2.75 to \$3.85.

ARTICLE X - CABOOSES

Pursuant to the recommendations of Emergency Board No. 195, the elimination of requirements for or affecting the utilization of cabooses, as proposed by the carriers in their notice served on or about February 2, 1981, will be handled on an individual railroad basis in accordance with the following agreed upon procedures and guidelines.

Cabooses may be eliminated from trains or assignments in any or all classes of service by agreement of the parties.

Cabooses in all classes of service other than through freight service are subject to elimination by agreement or, if necessary, by Arbitration.

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In through freight service, cabooses on all trains are subject to consideration in the negotiation of trains that may be operated without cabooses and there is no limit on the number that can be eliminated by agreement. However, there shall be a 25% limitation on the elimination of cabooses in through freight (including converted through freight) service, except by agreement. If arbitration becomes necessary to achieve the 25 percent of cabooses that may be eliminated in through freight service it shall be handled as hereinafter provided.

Section 1. Procedures

- . (a) When a carrier desires to operate without cabooses in any service, it shall give written notice of such intent to the General Chairman or General Chairmen involved, specifying the trains, runs or assignments, territory, operations and service involved. A meeting will be held within fifteen (15) days from the date of such notice to commence consideration of the carrier's request subject to the guidelines outlined in Section 2 below.
- . (b) There is no limit on the trains, runs or assignments in any class of service that may be operated without cabooses by agreement. If the carrier and the General Chairman or General Chairmen are able to reach an agreement, the elimination of cabooses pursuant to such agreement may be implemented at the convenience of the carrier.

- . (c) In the event the carrier and the General Chairman or General Chairmen cannot reach an agreement within sixty (60) days from the date of the notice, either party may apply to the National Mediation Board to provide the first available neutral from the panel provided for below.
- . (d) Within fifteen (15) days from the date of this Agreement, the parties signatory to the Agreement shall agree on a panel of five qualified neutrals and an alternate panel of five qualified neutrals who shall be available to handle arbitrations arising out of this Article. If the parties are unable to agree on all of the neutrals within fifteen (15) days, the National Mediation Board shall appoint the necessary members to complete the panels. If one or more members of a panel becomes unavailable he shall be replaced under this procedure. A neutral shall not be considered available if he is unable to serve within thirty (30) days from the date requested. Should a neutral be requested and none of the panel members is available to begin review of the dispute with the parties within thirty (30) days of such request, the National Mediation Board shall appoint a non panel neutral in such dispute.
- . (e) The neutral member will review the dispute and if unable to resolve by agreement the neutral member will, within thirty (30) days after the conclusion of the hearing, make a determination on the proposed elimination of cabooses involved in the dispute. The determination of the neutral member authorizing the elimination of cabooses shall be final and binding upon the parties except that the carrier may elect not to put such determination into effect on certain trains or assignments covered thereby by so notifying the General Chairman in writing within thirty (30) days from the date of the determination by the neutral. If a carrier makes such an election it shall be deemed to have waived any right to renew the request to remove the caboose from any such train or assignment covered thereby for a period of one year following the date of such determination.

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- . (f) It is recognized that the operating rules, general orders and special instructions should be reviewed and revised by the carrier, where necessary, to accommodate operations without cabooses. Any necessary revision will be in effect when trains are operated without cabooses.

Section 2. Guidelines

The parties to this Agreement adopt the recommendations of

Emergency Board No. 195 that the elimination of cabooses should be an on-going national program and that this program can be most effectively implemented by agreements negotiated on the local properties by the representatives of the carriers and the organization most intimately acquainted with the complexities of individual situations.

In determining whether cabooses are to be eliminated, the following factors shall be considered:

- . (a) safety of employees
- . (b) operating safety, including train length
- . (c) effect on employees' duties and responsibilities resulting from working without a caboose
- . (d) availability of safe, stationary and comfortable seating arrangements for all employees on the engine consist
- . (e) availability of adequate storage space in the engine consist for employees' gear and work equipment.

Section 3. Conditions

Pursuant to the guidelines described in Section 2, the following conditions shall be adhered to in an arbitration determination providing for operations without cabooses:

- . (a) Where suitable lodging facilities for a crew are required and the caboose is presently used to provide such lodging, the carrier shall continue to provide a caboose for that purpose until alternate suitable lodging facilities become available.
- . (b) Except by agreement cabooses will not be eliminated on certain mine runs, locals and road switchers where normal operations require crews to stand by waiting for cars or trains for extended periods of time and such crews cannot be provided reasonable access to the locomotive or other appropriate shelter during such extended periods.

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- . (c) Except by agreement cabooses will not be eliminated from trains that regularly operate with more than 35 cars where the crews are normally required to provide rear-end flagging protection.
- . (d) Crew members will not as a result of the elimination of cabooses be required to ride on the side or rear of cars except in normal switching or service movements or reverse

movements that are not for extended distances.

- . (e) Additional seating accommodations will not be required on trains having a locomotive consist with two or more cabs equipped with seats. Crews required to deadhead on the locomotive will be provided seating in accordance with Section 2(d).
- . (f) A carrier may operate a train, run or assignment with a caboose if it so desires despite the fact that it may have the right to operate such train without a caboose.
- . (g) The conditions and considerations applicable to the elimination of cabooses by agreement of the parties pursuant to this Agreement in each class or type of service shall not be disregarded by the neutral in formulating his award covering a similar class or type service.

Section 4. Through Freight Service

- . (a) There shall be a 25% limitation on the elimination of cabooses in through freight (including converted through freight) service, except by agreement. The 25% limitation shall be determined on the basis of the average monthly number of trains (conductor trips) operated in through freight service during the calendar year 1981. Trains on which cabooses are not presently required by local agreements or arrangements shall not be included in such count, shall not be counted in determining the 25% limitation, and any allowance paid under such agreements or arrangements shall not be affected by this Article. A carrier's proposal to eliminate cabooses may, exceed the minimum number necessary to meet the 25% limitation. However, implementation of the arbitrator's decision shall be limited to such 25% and shall be instituted on the basis established below. In the event a carrier's proposal is submitted to arbitration, it shall be revised, if necessary, so that such proposal does not exceed 50% of the average monthly number of trains (conductor trips) operated in through freight service during the calendar year 1981.
- . (b) In the selection of through freight trains from which cabooses are to be eliminated, a carrier shall proceed on the basis of the following categories:
 - . (i) trains that regularly operate with 35 cars or less;
 - . (ii) trains that regularly operate with 70 cars or less which are scheduled to make no stops en route to pick up and/or set out cars;

- . (iii) trains that regularly operate with 70 cars or less which are scheduled to make no more than three stops en route to pick up and/or set out cars;
- . (iv) trains that regularly operate with 120 cars or less which are scheduled to make no stops en route to pick up and/or set out cars;
- . (v) trains that regularly operate with 120 cars or less which are scheduled to make no more than three stops en route to pick up and/or set out cars;
- . (vi) trains that regularly operate with more than 120 cars which are scheduled to make no stops en route to pick up and/or set out cars;
- . (vii) all other through freight trains.
- . (c) The implementation of the arbitrator's decision shall be phased in on the following basis: the carrier may immediately remove cabooses from one-third of the trains that may be operated without cabooses, another one-third may be removed thirty (30) days from the date of the arbitrator's decision and the final one-third sixty (60) days from the date of the arbitrator's decision.

Section 5. Purchase and Maintenance of Cabooses

In addition to the foregoing, a carrier shall not be required to purchase or place into service any new cabooses. A carrier shall not be required to send cabooses in its existing fleet through existing major overhaul programs nor shall damaged cabooses be required to undergo major repairs. However, all cabooses that remain in use must be properly maintained and serviced.

Section 6. Subsequent Notices

A carrier cannot again seek to eliminate a caboose on a train, run or assignment where the request has been denied in arbitration unless there has been a change in conditions warranting such resubmission. Conversely, where a carrier has eliminated a caboose on a train, run or assignment and the characteristics of that train, run or assignment are subsequently changed in a way that the General Chairman believes cause it to depart from the guidelines, he may propose restoration of the caboose and, if necessary, invoke binding arbitration.

Section 7. Penalty

If a train or yard ground crew has been furnished a caboose in accordance with existing agreement or practice on a train or assignment prior to the date of this Agreement and such train or

assignment is operated without a caboose other than in accordance with the provisions of this Article or other local agreement or practice, the members of the train or yard ground crew will be allowed two hours' pay at the minimum basic rate of the assignment for which called in addition to all other earnings.

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Section 8. Restrictions

The foregoing provisions are not intended to impose restrictions with respect to the elimination of cabooses or in connection with operations conducted without cabooses where restrictions did not exist prior to the date of this Agreement.

This Article shall become effective fifteen (15) days after the date of this Agreement.

ARTICLE XI - STUDY COMMISSION

Section 1. Pursuant to the recommendations of Emergency Board No. 195 the parties signatory to this Agreement hereby establish a Study Commission consisting of three partisan members representing the carriers, three partisan members representing the United Transportation Union and a neutral member who shall be Chairman. The Chairman shall be selected by the partisan members within 30 days from the date of this Agreement. If the partisan members of the Commission cannot agree on the Chairman within such 30 days, the partisan members shall request the National Mediation Board to confer with the members and within 15 days of such request select a Chairman.

Section 2. The Commission is authorized and directed to investigate and consider in accordance with the recommendations of Emergency Board No. 195 the subject matters listed below:

- . Basis of pay and related alternatives
- . Initial and Final terminal delay
- . Air hose coupling
- . Engine exchange
- . Road/yard restrictions
- . Supplemental sick pay
- . Disability pay
- . Personal leave

Principles and procedures for stabilizing the pay structure of

the operating crafts in response to earnings adjustments arising from crew consist agreements.

Section 3. The Commission shall promptly establish its operating procedures, including the formulation of a schedule designed to expedite and enhance the opportunity to reach agreement on all issues at the earliest possible date. The Chairman shall have authority to resolve any differences between the members with respect to determining the procedures under which it will operate, scheduling meetings and the priorities for consideration of the issues. In the event the Chairman is unable to continue his assignment or the partisan members unanimously concur that a successor should be appointed, the procedures set forth above shall be followed in selecting a replacement.

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Section 4. In consultation with the members, the Chairman shall promptly establish a time table for negotiations between the parties on the issues submitted to the Commission. If, after 90 days from the date such negotiations begin, the parties have failed to reach agreement or demonstrate evidence of substantial progress in resolving the issues, the Chairman shall convene hearings on the matters in dispute and formulate substantive guidelines to further advance negotiations. The parties shall then negotiate within these guidelines for a period not to exceed 60 days.

Section 5. If, at the end of such 60 day period, agreement has not been reached on all issues, the Chairman shall make recommendations to the parties for disposing of all unresolved issues not later than December 1, 1983. While the recommendations of the Chairman shall not be considered final and binding, the parties affirm their good faith intentions to give, full consideration to such recommendations as a means of resolving such matters.

Section 6. The Study Commission shall terminate, unless otherwise agreed to by the parties, 30 days from the date the recommendations have been made.

Section 7. If the parties are unable to resolve all of the issues covered thereby, either party may serve proposals within the framework of any such recommendations in accordance with the Railway Labor Act and the provisions of Article XIII, Section 20 of this Agreement.

ARTICLE XII - LUMP SUM PAYMENT

In lieu of personal leave days, a lump-sum payment of \$200.00 shall be made no later than the first payroll period ending in July, 1983 to employees covered by this Agreement who (a) have had an employment relationship with their employing carrier under the Agreement with the organization signatory hereto as of April 1, 1981, (b) have continued such employment relationship up to December 31, 1982 and © have performed compensated service under such Agreement during the period from April 1, 1981 to December 31, 1982.

There shall be no duplication of lump-sum payments by virtue of employment under an agreement with another organization.

An employee who otherwise meets all of the qualifications outlined above except that he did not have an employment relationship as of the dates specified above because he had been dismissed from service and such employee subsequently is or has been reinstated with seniority unimpaired will be considered eligible to receive the lump-sum payment.

The receipt of the lump-sum payment by an employee will not be considered a factor in connection with nor trigger any other benefit or compensation provided by agreement, such as health and welfare, vacations and guarantees.

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ARTICLE XIII - GENERAL PROVISIONS

Section 1 - Court Approval

This Agreement is subject to approval of the courts with respect to participating carriers in the hands of receivers or trustees.

Section 2 - Effect of this Agreement

. (a) The purpose of this Agreement is to fix the general level of compensation during the period of the Agreement and is in settlement of the dispute growing out of the notices served upon the carriers listed in Exhibit A by the organization signatory hereto dated on or about February 2, 1981 and February 12, 1982, and the notices served on or about February 2, 1981 by the carriers for concurrent handling therewith.

. (b) This Agreement shall be construed as a separate agreement by and on behalf of each of said carriers and their employees represented by the organization signatory hereto, and shall remain in effect through June 30, 1984 and thereafter until changed or modified in accordance with the

provisions of the Railway Labor Act, as amended.

- . (c) The parties to this Agreement shall not serve nor progress prior to January 1, 1984 (not to become effective before July 1, 1984) any notice or proposal for changing any matter contained in:

(1) this Agreement,

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

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

- . (d) Pending notices and new proposals properly served under the Railway Labor Act covering subject matters not specifically dealt with in Section 2© of this Article and which do not request compensation may be progressed under the provisions of the Railway Labor Act, as amended.
- . (e) This Article will not bar management and committees on individual railroads from agreeing upon any subject of mutual interest.

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SIGNED AT WASHINGTON, D.C. THIS 15th DAY OF OCTOBER, 1982.

FOR THE PARTICIPATING CARRIERS FOR THE EMPLOYEES REPRESENTED BY LISTED IN EXHIBIT A: THE UNITED TRANSPORTATION UNION:

Charles I. Hopkins, Jr. Fred A. Harden
Chairman

C. F. Burch C. F. Christiansen

W. R. Denton G. Thomas DuBose

A. E. Egbers H. G. Kenyon

F. L. Elterman C. E. Wible

P. C. Jordan L. J. Wotaszak

C. E. Mervine, Jr.

T. C. Sheller

R. C. Steele, Jr.

Robert E. Upton

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding during the negotiations with respect to the provisions of Article X of the October 15, 1982 National Agreement concerning the elimination of cabooses.

It was the intention in referring to the number of cars in a train to avoid disputes, recognizing that the number of cars in a given train varies from day to day and from point to point on the same day as cars are added or set out. The number of cars stated in the Agreement refers to the usual number of cars in the train. As cars are added or subtracted en route it is not intended that there be disputes over the exact number of cars so long as the flexibility to add and subtract cars en route is exercised in line with normal operating practices and does not go beyond the intent of the Agreement or this letter.

It was further understood that the provisions of Article X shall not be cited by either party with respect to any negotiations concerning crew consist.

The purpose of the provision in the Agreement requiring a carrier to give notice describing the train or type of trains constituting the assignments on which it intends to eliminate cabooses is so that the General Chairman (or Chairmen) will be adequately informed in advance of any discussions with respect to this matter. Such other details as may be appropriate can, of course, be developed during such discussions. For example, we agreed that adequate notice would be one that stated that it was a carrier's intention to eliminate cabooses on all local freights

operating between two specified points. On the other hand, where only certain trains in a common territory with other trains are identified, sufficient information would be given to identify the types of runs or assignments involved.

. 2 -

Finally, it is understood that the appropriate General Chairmen will be provided on a periodic basis relevant information concerning the number of cabooses the carrier has eliminated. If disputes arise concerning the propriety of the elimination of a caboose from any particular train, run or assignment, the carrier shall provide the information it relied upon in making its decision to eliminate such caboose.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our discussions during the negotiations of the October 15, 1982 National Agreement concerning the continuation of the Joint Interpretation Committee which was informally established following the execution of the August 25, 1978 National Agreement.

Through utilization of the Joint Interpretation Committee numerous questions concerning the application of that Agreement

were resolved and the invocation of formal disputes procedures avoided.

Accordingly, with the view of continuing the success in this regard insofar as disputes involving the 1978 National Agreement are concerned and with the expectation that the same results can be achieved relative to disputes which may arise under the October 15, 1982 National Agreement, the Joint Interpretation Committee previously established shall continue to function through the term of the October 15, 1982 National Agreement and is authorized to consider questions of application of its provisions that may arise for the purpose of providing a uniform application of such provisions.

In particular, the parties have established a procedure providing for the elimination of cabooses in a good-faith effort to follow the recommendations of Emergency Board No. 195. This procedure envisions a process that will be carried out on an individual railroad basis in accordance with the guidelines and procedures established under the National Agreement. In order that the intent of this provision be fulfilled, the Joint Interpretation Committee will review and attempt to resolve any issues that may arise concerning the implementation of this provision.

. 2 -

The Joint Committee shall consist of two representatives appointed by the organization and two representatives appointed by the National Carriers' Conference Committee.

If the above conforms with your understanding, please indicate by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding that, for purposes of Article XII of the National Agreement dated October 15, 1982, any employee qualifying for the lump-sum payment shall receive \$230.00 if the employee's first service performed on or after January 1, was as a locomotive engineer and the organization signatory hereto represented the craft of locomotive engineers as of that date.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm the understanding reached during the negotiations of the October 15, 1982 National Agreement that the Joint Labor-Management Committee on Physical Disqualification Procedures established pursuant to the provisions of Article XIV of the August 25, 1978 National Agreement shall be continued through the term of the October 15, 1982 National Agreement.

Very truly yours,
C. I. Hopkins, Jr.

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

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

Dear Mr. Hardin:

This will confirm our understanding reached in current negotiations that the moratorium provisions of the Agreement do not preclude the serving of local notices to correct conditions with respect to suitable lodging accommodations as provided in individual agreements; provided, however, that no such local notices will be served for the purpose of changing the amount of allowance being paid in lieu of lodging, nor the qualifying conditions for eligibility for away from home expenses.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin
President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding that to the extent possible employees eligible for an additional week of vacation in 1982 because of the revisions provided for in Article III of this Agreement should be granted such additional vacation prior to the end of this calendar year. However, if the carrier is unable to grant this additional vacation benefit during the balance of this year, such employees shall be paid in lieu of that additional week of vacation.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding reached during negotiations leading to the October 15, 1982 National Agreement that the carriers' withdrawal of their proposal with respect to entry rates is in recognition of the parties' understanding that the subject of entry rates is covered by the subject matters submitted to the Study Commission established pursuant to Article XI of this Agreement.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding that the salary and expenses of the Chairman of the Study Commission, as provided for in Article XI, of the October 15, 1982 National Agreement, will be shared equally by the parties. Furthermore, it is agreed that this understanding will not constitute any precedent concerning the payment of neutrals by the parties for any other purpose.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

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

Dear Mr. Hardin:

In accordance with our understanding, this is to confirm that the carriers will make their best efforts to provide the retroactive wage increases in a single, separate check no later than sixty (60) days following ratification.

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

It is further understood that such retroactive wage increases are due only to employees who (a) have performed service during the period covered by the retroactive wage increases and (b) have continued their employment relationship up to the date of this Agreement or have in the meantime either retired or died.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin
President
United Transportation Union
14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This is to confirm our understanding that the provisions of Article XIII of the October 15, 1982 National Agreement are not applicable to pending notices, or new notices which may be served, seeking to adjust compensation with respect to compensation relationships between train crews or firemen and engineers where compensation, regardless of how derived, has been changed for engineers because of a crew consist agreement.

Any organization notice served which meets these conditions may be progressed within, but not beyond, the specific procedures for peacefully resolving disputes which are provided for in the Railway Labor Act, as amended.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

A committee shall be established by the Joint Policyholders consisting of an equal number of organization and carrier representatives for the purpose of continuing exploration of ways to contain or decrease the costs of maintaining the National Health and Welfare Plan without decreasing the benefits or services that the plan provides. In pursuing cost containment measures the committee will be authorized to obtain and/or

develop whatever information is necessary in order to determine where the Plan is incurring unnecessary or excessive expenses. The committee shall make such recommendations as it deems appropriate for implementing any of its findings.

The committee is also authorized to investigate and recommend the implementation of new experimental programs on a community or other basis for the purpose of determining whether existing benefits can be provided in ways which may reduce costs to the Plan while at the same time preserving the services currently provided.

In addition, the committee may consider alternatives to the current Joint Policyholder arrangement, and consider submitting the Plan to competitive bidding; and in this process identify insurers that are fit and able to provide the services necessary in connection with the Plan, the selection criteria and the bid specifications.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This confirms our understanding that upon notification of ratification of the tentative national settlement reached today the parties will take such steps as necessary to withdraw without prejudice Civil Action No. 82-0278, Atchison, Topeka and Santa Fe Railway Company v. United Transportation Union, currently pending

before the United States District Court for the District of Columbia.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

NATIONAL RAILWAY LABOR CONFERENCE LETTERHEAD

October 15, 1982

Mr. Fred A. Hardin

President

United Transportation Union

14600 Detroit Avenue

Cleveland, Ohio 44107

Dear Mr. Hardin:

This will confirm our understanding that Article XII of the National Agreement dated October 15, 1982, providing a lump-sum payment in lieu of personal leave days, does not affect any local agreement on the subject of personal leave days.

Please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

C. I. Hopkins, Jr.

I concur:

/s/ Fred A. Hardin

EXHIBIT A

RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES, DATED ON OR ABOUT FEBRUARY

2, 1981, OF DESIRE TO CHANGE EXISTING AGREEMENTS IN ACCORDANCE WITH PROPOSITION IDENTIFIED AS UTU - ATTACHMENT 1 (WAGES AND RULES), AND NOTICES, DATED ON OR ABOUT FEBRUARY 2, 1981, OF DESIRE TO CHANGE EXISTING AGREEMENTS IN ACCORDANCE WITH PROPOSITION IDENTIFIED AS UTU - ATTACHMENT 2 (HEALTH AND WELFARE), SERVED ON RAILROADS GENERALLY BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES, OF THE UNITED TRANSPORTATION UNION (E), ©, (T) AND/OR (S), AND PROPOSALS SERVED BY THE CARRIERS FOR CONCURRENT HANDLING THEREWITH.

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

UNITED TRANSPORTATION UNION

RAILROADS (E) © (T) (S)

Akron and Barberton Belt Railroad Company x x

Akron, Canton and Youngstown Railroad Company x x

Alameda Belt Line x x

Alton and Southern Railway x x

Atchison, Topeka and Santa Fe Railway Company x x x

Atlanta & Saint Andrews Bay Railway Company #-x #-x

Belt Railway Company of Chicago x

Bessemer and Lake Erie Railroad @-x @-x

*Boston and Maine Corporation !-x

Brooklyn Eastern District Terminal #-x

Burlington Northern, Inc. x x x x

Butte, Anaconda and Pacific RY x x

Camas Prairie Railroad Company x x x x

Canadian National Railways -

Great Lakes Region, Lines in the United States x

St. Lawrence Region, Lines in the United States x

Canadian Pacific Limited #-x #-x

Central of Georgia Railway Company x x x x

Central Vermont Railway, Inc. #-x #-x

THE CHESSIE SYSTEM

Baltimore and Ohio Railroad Company 2-x 3-x 4-x

Baltimore and Ohio Chicago Terminal Railroad Company x x

Chesapeake and Ohio Railway Company x x x

Chicago South Shore and South Bend Railroad x x

Staten Island Railroad Corporation x

Western Maryland Railway Company x x x

Chicago and Illinois Midland Railway Company x x

Chicago and North Western Transportation Company x x x

Chicago and Western Indiana Railroad Company x x

Chicago, Milwaukee, St. Paul and Pacific Railroad, LE x x x

Chicago Union Station Company x

Chicago, West Pullman and Southern Railroad Company x x

Colorado and Southern Railway Company x x

Columbia and Cowlitz Railway Company x x

Davenport, Rock Island and North Western Railway Co. x x

PAGE 2 EXHIBIT A

UNITED TRANSPORTATION UNION

RAILROADS (E) © (T) (S)

Denver and Rio Grande Western Railroad Company x x x x

Des Moines Union Railway Company x x

Detroit and Toledo Shore Line Railway Company x x x

Detroit, Toledo and Ironton Railroad Company x x

Duluth, Missabe and Iron Range Railway Company @-x @-x @-x

Duluth, Winnipeg and Pacific Railway Company x x

Elgin, Joliet and Eastern Railway Company @-x

THE FAMILY LINES

Seaboard Coast Line Railroad Company x x x
Gainesville Midland Railroad Company #-x
Louisville and Nashville Railroad Company x x x
Clinchfield Railroad Company x x x x
Georgia Railroad x x
Atlanta and West Point Railroad Company x x
The Western Railway of Alabama x x
Atlanta Joint Terminals x
Fort Worth and Denver Railway Company x x
Galveston, Houston and Henderson Railroad Company x x
Grand Trunk Western Railroad Company x x
Green Bay and Western Railroad Company @-x @-x
Houston Belt and Terminal Railway Company x
Illinois Central Gulf Railroad x x x
Illinois Terminal Railroad Company x x
Joint Texas Division of CRI&P-FW&D Railway Company x x x
Kansas City Southern Railway Company x x
Kansas City Terminal Railway Company x x x
Kentucky and Indiana Terminal Railroad Company x x
Lake Erie, Franklin & Clarion Railroad Company #-x #-x
Lake Superior Terminal and Transfer Railway Company x x
Lake Terminal Railroad Company @-1-x @-1-x
Longview, Portland and Northern Railway Company x
Los Angeles Junction Railway Company x x
Louisiana and Arkansas Railway Company 5-x x x
Maine Central Railroad Company x x x
Portland Terminal Company x x
Manufacturers Railway Company x x

McKeesport Connecting Railroad Company @-x
Meridian & Bigbee Railroad Company #-x #-x
Minneapolis, Northfield and Southern Railway, Inc. x x
Minnesota, Dakota and Western Railway Company #-x #-x
Minnesota Transfer Railway Company x x
Mississippi Export Railroad Company #-x #-x
Missouri-Kansas-Texas Railroad Company x x x
Missouri Pacific Railroad Company x x x x
Monongahela Railway Company x x
Montour Railroad Company x x
Newburgh and South Shore Railway Company @-1-x @-1-x
New Orleans Public Belt Railroad Company x x
New York Dock Railway #-x

PAGE 3 EXHIBIT A

UNITED TRANSPORTATION UNION

RAILROADS (E) © (T) (S)

Norfolk and Portsmouth Belt Line Railroad Company x
Norfolk and Western Railway Company x x x
Northwestern Pacific Railroad Company x x
Oakland Terminal Railway x
Ogden Union Railway and Depot Company x
Peoria and Pekin Union Railway Company x x
Pittsburgh & Shawmut Railroad Company x x
Pittsburgh and Lake Erie Railroad Company x
Pittsburgh Chartiers & Youghiogheny Railway Company x x
Portland Terminal Railroad Company x
Port Terminal Railroad Association x x

Richmond, Fredericksburg and Potomac Railroad Company 6-x 6-x
St. Joseph Terminal Railroad x x x
St. Louis Southwestern Railway Company x
Soo Line Railroad Company x x x
Southern Pacific Transportation Company -
Western Lines 7-x x x 8-x
Eastern Lines x x x x
Southern Railway Company x x x
Alabama Great Southern Railroad x x x x
Cincinnati, New Orleans and Texas
Pacific Railway Company x x x
Georgia Southern and Florida Railway Company x x x
New Orleans Terminal Company x x
St. Johns River Terminal Company x x
East St. Louis Terminal Company x x
Spokane International Railroad Company x x x
Terminal RR Association of St. Louis x x
Texas Mexican Railway Company x x
Toledo, Peoria and Western Railroad Company x x
Toledo Terminal Railroad Company x
Union Pacific Railroad Company x x x
Walla Walla Valley Railway Company x
Waterloo Railroad Company x
Western Pacific Railroad Company x x x
Wichita Terminal Association x x
Yakima Valley Transportation Company x
Youngstown and Southern Railroad x
Youngstown and Southern Railway x

NOTES:

* - Subject to approval of the Courts.

- Authorization excludes negotiation of the organization's notice dated

February 2, 1981 of desire to change existing agreements to the extent

indicated in Attachment I thereto, and such proposals as were served by

the carrier for concurrent handling therewith.

Page 4 EXHIBIT A

NOTES: -

@ - Authorization excludes negotiation of the organization's notice dated

February 2, 1981 of desire to change existing agreements to the extent

indicated in Attachment 2 thereto, and such proposals as were served by

the carrier for concurrent handling therewith.

! - Authorization covering Attachment 1 of the organization's notice dated

February 2, 1981 and the carrier proposals is qualified to the extent they

are prohibited by Arbitration Award No. 387.

1 - Authorization excludes negotiation of Item IX - Early Retirement Major

Medical Expense Benefit - of Attachment 1 served by the organization on

February 2, 1981.

2 - Authorization also covers former BR&P Territory, former Strouds Creek &

Muddlety Territory and Curtis Bay Railroad.

3 - Authorization also covers former BR&P Territory and former Strouds Creek &

Muddlety Territory.

4 - Authorization also covers former BR&P Territory and Curtis Bay Railroad.

5 - Authorization excludes Hostlers at Deramus Yard, Louisiana.

6 - Authorization excludes negotiation of Item VI - Personal Leave of

Attachment 1 served by the organization on February 2, 1981.

7 - Authorization also includes the former El Paso and Southwestern System and

Nogales, Arizona, Yard.

8 - Authorization also includes the former El Paso and Southwestern System.

FOR FOR THE

THE CARRIERS: UNITED TRANSPORTATION UNION:

/s/ C. I. Hopkins, Jr. /s/ Fred A. Hardin

Washington, D.C.

September 15, 1982