

MEMORANDUM OF AGREEMENT

by and between the .

SOUTHERN PACIFIC TRANSPORTATION COMPANY (WESTERN LINES)
(including former EP&SW)

and its employees represented by the

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

ARTICLE 1
UNION SHOP

Article 32, Sections 23 and 24 of the Western Lines Agreement Engineers, as provided below, will be added to the EP&SW Agreement:

- (a) All employees now having or hereafter acquiring seniority as engineers who are represented by the Organization and covered by the rules and working conditions agreement between the parties hereto, except as hereinafter provided, shall, as a condition of continued employment in such work, within sixty days following the establishment of such seniority or the effective date of this agreement, whichever is later, become members of, and thereafter maintain membership in good standing in, the Organization. Provided that such conditions shall not apply with respect to any employe as to whom such membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to any employe to whom membership was denied or terminated for any reason other than the failure of the employe to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership.
- (b) The requirement for membership in the Organization provided for in paragraph (a) hereof, shall be satisfied as to both a present or future employe holding or acquiring seniority as engineer who holds membership, or within 60 days from _____, 1995, or date seniority is established, acquires membership in any of the other engine, train or yard service labor organizations, national in scope, organized in accordance with

the provisions of the Railway Labor Act, coming within the jurisdictional scope of the First Division, National Railroad Adjustment Board, and admitting to membership employes in the class described in paragraph (a), hereof: provided, that nothing contained herein shall prevent an employe from changing membership from one organization to another organization, national in scope, and admitting to membership employes of a craft or class in engine service as set forth above.

- (c) Employes who have acquired and who retain, or who hereafter acquire and retain, seniority rights in the class described in paragraph (a) hereof, under the provisions of an agreement therein referred to, who are promoted or assigned to supervisory or official provisions; or who are regularly assigned or transferred to positions covered by agreements between the Company and any of its employes represented by other Organizations; who are absent from duty for thirty days or more as a result of sickness or injury; or who are retired under the provisions of the Railroad Retirement Act at an age earlier than age sixty-five on account of disability and who retain seniority until they reach the age of sixty-five; shall not be subject to the provisions of this agreement provided, however, that when such an employe returns to service in said class, under the provisions of the agreement described in paragraph (a), the provisions of this agreement must be fully complied with on or before the first day of the month following thirty calendar days after the date of their return to service in said class under the provisions of the said agreement. An employe dismissed from service who does not retain seniority under the provisions of the agreement described in paragraph (a), shall, if he/she returns to service in the class described in paragraph (a) hereof, be considered a new employe in the application of this agreement.
- (d) The seniority status and rights of employes furloughed (on leave of absence) to serve in the Armed Forces or granted leaves of absence to engage in studies under an educational aid program sponsored by the federal government or a state government for the benefit of ex-service men shall not be terminated by reason of any of the provisions of this agreement; but such employes shall, upon resumption of employment, be considered as new employes in the application of this agreement.
- (e) The Organization shall keep account of employes in the craft or class described in paragraph (a) and shall independently ascertain the status of such employes under the membership requirements of this agreement. It is understood that if affirmative evidence establishes to the satisfaction of the General Chairman or other authorized representative (Local Chairman) of the Organization that the employe is a member in

a Labor Organization as specified in paragraph (b) hereof the provisions of this agreement will be satisfied and no notice will be served by the Organization on the Company to have the employe removed from service.

The Company will, however, furnish to the Local Chairman of the Organization, within ten calendar days of establishment of seniority, the names and addresses of all employes initially entering the service in the class described in paragraph (a) after the effective date of this agreement.

- (f) (1) The Local Chairman of the Organization will notify the Division Superintendent in writing the identity of any employe whose employment under the agreement with the parties hereto he/she requests be terminated by reason of failure to comply with the terms of this agreement. Upon receipt of such notice and request, the Division Superintendent will, as promptly as possible but within ten calendar days of such receipt, notify the employe concerned in writing that he/she is charged with failure to comply with the terms of this agreement. Copy of such notice will be given to the Local Chairman of the Organization.
- (2) In the event the employe concerned fails to request a hearing as provided for in paragraph f(3), unless the Company and the General Chairman of the Organization agree otherwise in writing, the Company shall terminate the employe's employment under the rules and working conditions agreement between the parties hereto at the end of a period of thirty calendar days from the date of receipt of the request from the Local Chairman of the Organization.
- (3) Any employee notified in accordance with paragraph f(1), who disputes the fact that he/she has failed to comply with the terms of this agreement shall, within a period of ten calendar days from the date of receipt of such notice, request the Division Superintendent in writing to accord him/her a hearing. Upon receipt of such request, the Division Superintendent will set a date for the hearing which shall be held within ten calendar days of the date of receipt of request therefor. Notice of the date, time and place set for hearing shall be promptly given the employe in writing with copy to the Local Chairman of the Organization. The receipt by the Division Superintendent of a request for a hearing shall operate to stay action on the request of the Organization for termination of employment under the rules and working conditions agreement between the parties hereto until the hearing is held and a decision by the Division Superintendent is rendered. Based on the evidence

produced at the hearing, a decision shall be rendered by the Division Superintendent within ten calendar days of the hearing date and the employe and the Local Chairman of the Organization shall be promptly notified thereof in writing. A transcript of the record at such hearing will be made and two copies thereof shall be furnished to the Local Chairman of the Organization.

- (4) If the decision is that the employe has not complied with the terms of this agreement, his/her seniority and employment shall be terminated within twenty calendar days of the date of said decision, except as hereinafter provided, or unless the Company and the Organization agree otherwise in writing.

The decision may be appealed in writing by the engineer or the Organization directly to the highest Company designated Officer; and copy of such appeal will be furnished the engineer or the Organization's General Chairman by appellant. Such appeals must be received by the Company within twenty calendar days of the date of the decision and shall stay action on the termination of seniority and employment, until the decision is rendered. The decision shall be rendered within twenty calendar days of the date the notice of appeal is received, and the engineer and the Organization shall be promptly advised thereof in writing.

If the decision on such appeal is that the engineer has not complied with the terms of this agreement, his/her seniority and employment shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided in paragraph f(5), or unless the Company and the Organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the Organization or the engineer involved request the selection of a neutral person to decide the dispute as provided in paragraph f(5). Any request for selection of a neutral shall stay action on the termination of seniority and employment until not more than ten calendar days after the date decision is rendered by the neutral.

- (5) If within ten 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 engineer requests such highest officer in writing, that a neutral be appointed to decide the dispute, a neutral to act as sole arbitrator to decide the dispute shall be mutually selected by the highest Company designated Officer, the General Chairman

and the engineer involved or his representative if they can so agree. If they are unable to agree upon the selection of a neutral, any one of them may request the Chairman of the National Medication Board in writing to appoint such neutral. The Company, the Organization and the engineer involved shall have the right to appear and present evidence at a hearing before such neutral. Any decision by such neutral shall be made within thirty calendar days from the date of hearing and shall be final and binding upon the parties. The company, the engineer and the Organization shall be promptly advised thereof in writing. If the position of the engineer is sustained, the fees, salary and expenses of the neutral shall be borne in equal shares by the Company and the Organization; if the engineer's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the Company, the Organization and the engineer.

- (6) In computing the time periods specified in this section, the date on which his/her notice is received or decision rendered shall be counted. If the last day on which a notice may be given or received or decision rendered falls on Saturday, Sunday or a legal holiday, the period of time specified shall be extended to include the next succeeding day which is not a Saturday, Sunday or legal holiday.
- (g) The Company shall not be required to terminate the employment of an engineer until such time as qualified replacement is available. The Company may not, however, retain such engineer in service under the provisions of this section for a period in excess of sixty calendar days from date of the last decision rendered or ninety calendar days from date of receipt of notice from the Organization in cases where the engineer does not request a hearing.
- (h)
 - (1) All notifications, appeals or copies thereof in writing from the Local or General Chairman of the Organization to the Company, from the Company to the Local or General Chairman or to an engineer, and from an engineer to the Company or Organization's General Chairman, shall be transmitted to the appropriate party by certified mail, or personal delivery evidenced by receipt.
 - (2) The time periods specified in this section may be extended in individual cases by written agreement between the Company and the Organization.
 - (3) Provisions of investigation, grievances and discipline rules contained in existing rules and working conditions agreement between the Company

and the Organization shall not apply to cases arising under this section.

- (i) An employe whose seniority and employment under the rules and working conditions agreement is terminated pursuant to the provisions of this agreement shall have no time or money claims by reason thereof.

If the final determination under paragraph (f), this section, is that an employe's seniority and employment in a craft or class shall be terminated, no liability shall arise against the Company in favor of the Organization or to engineers, either based upon an alleged violation, misapplication or non-compliance with any part of this section, or while such determination may be stayed by a court, or while a discharged engineer may be restored to service pursuant to judicial determination. During such periods last mentioned, no provision of any other agreement between the parties shall be used as the basis for a grievance or time or money claim by or on behalf of any engineer against the Company predicated upon any action taken by the Company on applying or complying with this section or upon an alleged violation, misapplication or non-compliance with any provision of this section. If the final determination under this section is that an employe's employment and seniority shall not be terminated, this continuance in service shall give rise to no liability against the Company in favor of the Organization or other engineers based upon an alleged violation, misapplication or non-compliance with any part of this section. No part of this section shall be used in any manner whatsoever as a basis for a grievance or time claim by or on behalf of any engineer; and no part of the schedule agreement covering rates of pay and working conditions shall be used as a basis for a grievance or time claim by or on behalf of any engineer predicated upon an alleged violation, misapplication or non-compliance with any part of this section.

- (j) If seniority and employment are terminated by the Company under the provision of this section, and such termination 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 thereof; provided that the aforementioned liability shall not include counsel fees, court costs and other like expenses incurred by the Company in defending suits by engineers whose seniority and employment are terminated by the Company under the provisions of this section.
- (k) An employe whose seniority and employment are terminated as a result of non-compliance with the provisions of this section shall be regarded as having terminated his/her employe relationship for vacation purposes.

- (l) The General Chairman will notify the Company in writing of the title and address of its representatives who are authorized to serve and receive notices described in this agreement. The Company shall notify the General Chairman in writing of the title and address of its representatives who are authorized to receive and service the notices described in this section.
- (m) Any engineer who is not a member of the Brotherhood of Locomotive Engineers, who makes affidavit he/she is a member of a bona fide and recognized religious group having scruples against joining a union will, if he/she would otherwise be required to join a union under this Union Shop Agreement, be deemed to have met the requirements of this Union Shop Agreement if he/she agreed and does pay initiation fees, periodic dues and assessments to the Brotherhood of Locomotive Engineers.

Dues Deduction

- (a)
 - (1) Subject to the terms and conditions of this agreement, Company shall deduct sums for periodic dues, initiation fees, assessments and insurance (not including fines and penalties), payable to the Brotherhood by members from wages earned in any of the services or capacities covered in Section (3), First (h), of the Railway Labor Act, defining the jurisdictional scope of the First Division, National Railroad Adjustment Board, upon the written and unrevoked authorization of a member in the form agreed upon by the parties hereto. The foregoing provisions shall not be valid or enforceable to the extent that this agreement, or like agreements with this or other organizations, are disapproved by a decision rendered by the highest court to which such case has been appealed or a decision rendered by a tribunal having jurisdiction pursuant to law.
 - (2) The signed authorization may, in accordance with its terms, be revoked in writing at any time after the expiration of one year from the date of its execution, or upon the termination of this agreement, or upon the termination of the rules and working conditions agreement between the parties, whichever occurs sooner. Revocation of the authorization shall be in the form agreed upon by the parties, and presented to the Company in the manner hereinafter described.
 - (3) Both the authorization forms and the revocation of authorization forms shall be reproduced and furnished as necessary by the Organization without cost to the Company. The organization shall assume full responsibility for the procurement and proper execution

of said forms by employes and for delivery of said forms to the Company.

(b) Deductions as provided herein shall be made by the Company in accordance with certified deduction lists furnished to the Division Superintendent by the Secretary-Treasurer of the Local Division of which the employe is a member. Such lists, together with wage assignment and revocation of wage assignment forms, shall be delivered to the Division Superintendent on or before the 5th day of the month in which the deduction or termination of deduction is to become effective as hereinafter provided. The original lists furnished shall show the employe's name, employee account number, and the amount to be deducted in the form approved by the Company. Thereafter, two lists shall be furnished each month by the Secretary-Treasurer of the Local Division to the Division Superintendent as follows:

(1) A list showing any changes in the amounts to be deducted from the wages of employes with respect to whom deductions are already being made, such list shall show both the amounts previously authorized to be deducted and the new amounts to be deducted; also the names of employe from whose wages no further deductions are to be made, which shall be accompanied by revocation of assignment forms signed by each employe so listed. Where no changes are to be made the list shall so state.

(2) A list showing additional employes from whose wages the Company shall make deductions as herein provided, together with an assignment authorization form signed by each employe so listed. Where there are no such additional employes the list shall so state.

(c) Deductions as provided for herein shall be made monthly by the Company from wages due employes for the first period in each calendar month, and the Company will, subject to the provisions of paragraph (d) hereof, remit to the Brotherhood the total amount of such deduction on or before the 15th day of the month following the month in which such deductions are made. With such remittance the Company will furnish to the Secretary-Treasurer of the Local Division a statement showing employes from whom deductions were made and amount of deductions.

(d) (1) In the event earnings of an employe are insufficient to permit the full amount of deduction, no deduction will be made, and responsibility for collection shall rest entirely with the Brotherhood.

- (2) The following payroll deductions shall have priority over deductions covered by this agreement:
- o Federal, state and municipal taxes as well as other deductions required by law, including garnishments and attachments.
 - o Amount due the Company.
 - o Group life and hospital contributions.
 - o Prior valid assignments and deductions.
- (3) In cases where no deduction is made from the wages of an employe due to insufficient earnings or for other reasons, the amounts not deducted shall not be added to deduction lists for the employe for any subsequent payroll period.
- (e) Responsibility of the Company under this agreement shall be limited to remitting the amounts actually deducted from wages of employes pursuant to this agreement, and the Company shall not be responsible financially or otherwise for failure to make deductions or for making improper or inaccurate deductions. Any question arising as to the correctness of the amount deducted shall be handled between the employe involved and the Organization.

ARTICLE 2
SENIORITY EXCHANGE

The first paragraph of Article 32, Section 8, of the Western Lines Agreement covering engineers and the first paragraph of Article 24, Section 2(a), of the EP&SW Agreement covering engineers provide:

"When engineers on different seniority districts desire to exchange seniority district rights, they will be allowed to do so, subject to the approval of proper officials, taking the junior engineer's rights in both cases."

The above-cited provision will be canceled and replaced with the following:

"When engineers on different seniority districts desire to exchange district seniority rights, they will be allowed to do so, taking the junior engineer's rights in both cases, subject to the following conditions:

- (i) Engineer seniority dates and dates of birth must be within five (5) years of each other.

- (ii) Each engineer must perform service on the new seniority district for six (6) months (unless one or the other is medically or physically unable to do so) prior to the exchange becoming final. If either engineer fails to remain on the district for six (6) months, both engineers will be required to return to their former seniority districts."
- (iii) All seniority trades are subject to the approval of the proper officials.

"In instances in which a trade is sought due to an engineer's medical condition and required medical documentation is provided by the engineer to substantiate the medical condition, the Company may elect to waive the five (5) year requirement in item (i).

ARTICLE 3 CONSOLIDATED SENIORITY

PART A

Section 1: The purpose of this agreement is to establish a procedure under which employees holding seniority as engineer may relocate from one seniority district to another on SP Western Lines (including the former EP&SW and Pacific Electric) in response to the Carrier's need for additional engineers. Existing seniority districts, and the application of seniority within a district, are not affected by this agreement.

Section 2: On the effective date of this agreement, a consolidated roster of engineers will be created on which all employees holding seniority as engineer or who are identified as being in training to become a locomotive engineer will be ranked as follows:

- (i) Engine service employees with seniority as fireman established prior to August 28, 1994, will rank on the consolidated seniority roster in accordance with their relative standing as engineers.
- (ii) Engine service employees with seniority as fireman established after August 28, 1994, will rank on the consolidated seniority roster in accordance with their relative standing as firemen but below all who have established seniority as fireman prior to August 28, 1994.

In cases where more than one employee has the same seniority date, ranking on the consolidated roster will be determined using the

following factors, with the older employee ranking higher on the consolidated roster:

- a) Fireman's date;
- b) If same firemen's date, employment date with the Carrier;
- c) If same employment date, birth date.

Section 3:

- (a) Employees with a seniority date as engineer or identified as being in training to become a locomotive engineer, and who subsequently receive a certificate as a locomotive engineer, as of the effective date of this agreement, will have prior rights seniority on the seniority district on which they hold seniority. The prior right district of employees will be shown on the consolidated roster. The junior prior right employee on a district will have seniority on that district over all engineers not holding prior rights seniority on that district. An engineer's prior right district will not change as the result of relocating to another seniority district, and an engineer may have only one prior right district.
- (b) Employees obtaining a seniority date as engineer subsequent to the effective date of this agreement will not have a prior right district except as set forth in Part A, Section 3(a) above.

Section 4: When the Carrier desires additional engineers on a seniority district, such need will be advertised by bulletin and bids will be solicited from employees holding seniority as engineer on the consolidated seniority roster. Applicants for relocation will be selected in seniority order based on their ranking on the consolidated roster with recognition of prior rights. Successful applicants will establish use of seniority as engineer on the new district on the basis of their ranking on the consolidated roster, provided they report for service on the new district by the date specified in the bulletin and subject to the following:

- (a) The Carrier may retain successful applicants on their existing seniority district for a period not to exceed seven (7) months from specified reporting date on the new district to allow time for a replacement to be obtained if leaving his/her current seniority district would create a shortage of engineers at that district. Such retention will not affect the relocating engineer's seniority standing on the new seniority district.
- (b) Engineers relocating under this agreement may not apply for a subsequent relocation within two (2) years of their most recent date of relocation unless such employee is

not able to hold a position as engineer on his/her current district due to insufficient seniority.

- (c) If a prior rights engineer returns, pursuant to this agreement, to his/her prior rights district, such engineer will be returned to his/her former standing on that district roster.

Section 5: An employee who relocates to another seniority district pursuant to this agreement will relinquish seniority on his/her former district at the time he/she establishes seniority on the new district, with the following three exceptions:

- (a) Will retain the ability to return to his/her former position on prior right district roster in accordance with subsection 4(c) above.
- (b) An employee who fails to become qualified on his/her new district within six (6) months of obtaining seniority on the new district will return to the former seniority on the roster of the district from which he/she relocated.
- (c) An employee who relocates to a seniority district other than his/her prior rights district and subsequently cannot work as an engineer on that seniority district, he/she will have seven (7) days from the date notified of being displaced or cut off the extra list in which to elect to return to his/her prior rights seniority district. An engineer returning to his/her prior rights seniority district pursuant to this section will forfeit all rights as an engineer on the district from which he/she leaves until once again able to exercise consolidated seniority pursuant to this agreement.

PART B

An engineer who becomes unable to hold a regular or extra engineer position on the seniority district will have seven (7) days from the date notified of being displaced or cut off the extra list in which to elect to displace a junior non-prior rights engineer on another seniority district instead of being cut off the working list of engineers. In the event the engineer who is unable to hold a position as engineer elects to displace an engineer on another seniority district, that engineer shall be privileged to displace the junior engineer at the location to which exercising seniority except a location at which the engineer who would be displaced is a prior rights engineer on that district. An engineer who exercises a displacement under the provisions of this Part B must return, and shall have seven (7) days to report, to the district from which the displacement was made if, within one year of making the displacement, he/she is able to hold a position as engineer on the district from which the displacement was made. If the engineer

is not able to hold a position as engineer on the seniority district from which the displacement was made within one year, the engineer shall become identified with the district to which the displacement was made.

PART C

Upon relocation or exercise of seniority pursuant to the provisions of this agreement, engineers will be subject to the terms and conditions of the agreements at the location to which relocated.

PART D

Section 1: Any moves made under the provisions of Parts A or B of this article shall be considered seniority moves without compensation or reimbursement of expenses from the carrier, in excess of what current agreement provisions provide.

Section 2: Moves made pursuant to the provisions of Part A or B of this agreement shall not disturb any entitlement under a labor protective condition, except for purposes of displacement or dismissal allowances an employee may be treated as occupying a higher paying position which is no longer available to the employee as the result of movement pursuant to Parts A or B.

PART E

The Carrier shall prepare a consolidated seniority roster of engineers as of June 1 of each year, showing thereon the names, rank, seniority dates of engineers, prior rights, if any, and seniority district. A copy of the consolidated seniority roster will be posted at all terminals, subject to correction for a period of ninety (90) days after posting and a copy thereof furnished to the General Chairman and Local Chairmen, Brotherhood of Locomotive Engineers, having jurisdiction at said terminals.

ARTICLE 4

TEMPORARILY TRANSFERRING ENGINEERS FROM OTHER LINES

Engineers temporarily transferred from locations on lines other than Western Lines will be subject to rates of pay and benefits paid to engineers on the Western Lines seniority district to which transferred. Additional compensation, if any, will be negotiated with the BLE Western Lines. The preceding sentence does not preclude the Carrier from paying reasonable meal and lodging allowances. This provision is without prejudice to either party as it pertains to prior claims.

ARTICLE 5
ADVERTISEMENTS

The first sentence of the second paragraph of Section 10(a), Article 32, of the Western Lines agreement covering engineers will be canceled and replaced with the following language:

"Applications will be accepted until 9:00 AM of the seventh day at which time the senior engineer whose application is in the hand of the assignment clerk will be assigned."

ARTICLE 6
TEMPORARY VACANCIES

Section 7 of Article 30 of the Western Lines Agreement, and EP&SW Memorandum of Agreement covered by Company file E&F 1-1122, Org. file E-19425-28-2-EP&SW dated February 5, 1986, will be revised to include:

"An engineer may elect to vacate a temporary vacancy (provided vacancy is not at an outside point) and return to his/her regular assignment once he/she has held that temporary vacancy for seven (7) days."

The 12th and 13th paragraphs of Article 32, Section 10(a), of the Western Lines Agreement, and the first paragraph of Article 25, Section 4 of the EP&SW Agreement, reading:

"When such bulletins are posted for assignments in yard service and no applications are received, the junior engineer on the working list of engineers, if qualified, shall be assigned: provided, if the assignment of said junior engineer will necessitate an addition to the engineers' road extra list, the senior engineer cut off the working list will be placed on the work extra list before the assignment is made and he shall be considered the junior engineer on the engineers' working list, and if qualified, will be assigned to advertised position.

"NOTE: The clause above reading '. . .the junior engineer on the working list of engineers, if qualified, shall be assigned. . .' does not include engineers assigned to regular runs, yard assignments, or to an extra list of engineers, except that it will include the junior engineer (or engineers) assigned to an extra list of engineers."

shall be eliminated from the agreement, except at those locations where there may be local agreements in effect indicating otherwise.

ARTICLE 7
PLANT RATIONALIZATION

The Carrier has proposed selling or leasing certain branch lines listed below. These proposed transactions have progressed to the point of having operating and marketing plans prepared and financial bids submitted. These include the Tillamook and Ione branches, SJVR expansion (Lower Westside) Santa Paula (use of VCY), Torrance/El Segundo branches and sales or leases of lines to public transit agencies for passenger operations.

Without prejudice to the above, and preserving the Organization's rights regarding any and all line sales, the selling or leasing of other lines on the Western Lines will not be initiated, progressed or consummated during the term of this Agreement without Western Lines and BLE first entering into a negotiated agreement with respect to the employment or protection of those employees affected by such sale or lease.

ARTICLE 8
MILEAGE REGULATION

The first paragraph of Article 32, Section 6(d) of the BLE Western Lines Agreement and Article 24, Section 23, of the EP&SW Agreement provide:

"In the regulation of passenger or other assigned service, sufficient engineers will be assigned to keep the mileage or equivalent thereof within the limitations of 4000 and 4800 miles for passenger service, and 3200 and 3800 miles for other regular service, as provided herein. If in any service, additional assignments would reduce earnings below these limits, regulation will be effected by requiring the regular assigned man or men to lay off when the equivalent of 4800 miles in passenger or 3800 miles in other regular service has been reached."

The above provision will be canceled and replaced with the following language:

"In the regulation of passenger or other assigned service, sufficient engineers will be assigned to keep the mileage or equivalent thereof within the limitations of 4000 and 4800 miles for passenger service, and 3600 and 4200 for other regular service, as provided herein.

If in any service, additional assignments would reduce earnings below these limits, regulation will be effected by requiring the regular assigned employee to lay off when the equivalent of 4800 miles in passenger service or 4200 miles in other regular service has been reached."

ARTICLE 9
ACCUMULATION OF SENIORITY BY OFFICERS

The following two paragraphs will be added to Article 32, Section 16, of the BLE Western Lines Agreement and Article 24, Section 3, of the EP&SW Agreement:

"Any employee who is promoted to an official, supervisory, or exempted position and holds seniority in the craft or class represented by the BLE on or before July 1, 1995, who elects to accumulate seniority with the craft or class represented by the BLE shall have thirty (30) days from the effective date of this Agreement and/or written notification by the Organization to pay a fee equal to the total combined current monthly membership dues through the applicable local committee of adjustment. Thereafter, he/she shall accumulate seniority so long as he/she pays a fee no greater than the applicable current membership dues. In the event the employee elects not to pay the required fees, the BLE shall notify the designated Company officer with a copy to the employee involved. If such promoted employee is found not to have complied with the provisions of this Article, he/she shall retain but cease to accumulate seniority in the craft or class represented by the BLE.

"Any employee who is promoted to an official, supervisory, or exempted position and holds seniority in the craft or class represented by the BLE after July 1, 1995, who elects to accumulate seniority with the craft or class represented by the BLE shall have thirty (30) days from the date promoted and/or written notification by the Organization to pay a fee equal to the total combined current monthly membership dues through the applicable local committee of adjustment. Thereafter, he/she shall accumulate seniority so long as he/she pays a fee no greater than the applicable current membership dues. In the event the employee elects not to pay the required fees, the BLE shall notify the designated Company officer with a copy to the employee involved. If such promoted employee is found not to have complied with the provisions of this Article, he/she shall retain but cease to accumulate seniority in the craft or class represented by the BLE.

"Carrier will, to the best of its ability, notify BLE General Chairman, in writing, when an employee holding seniority in the craft or class represented by the BLE accepts any official, supervisory or exempted position in the service of the Carrier."

ARTICLE 10
SHORTAGE OF ENGINEERS

Section 1: It is agreed that Carrier shall maintain a sufficient number of available engineers at all extra board terminals to protect all regular and extra assignments so engineers will be allowed reasonable use of personal leave days, vacations, vacation split days and reasonable period of layoff. Available engineers at a source of supply are those employees having a valid certificate as a locomotive engineer pursuant to 49 CFR part 240 whose name appears on a seniority roster and who are currently working. Currently working means that the employee has earned compensation as an agreement-covered operating craft employee, not necessarily as an engineer, during the last 30 days. Such employees who commence a leave of absence, are dismissed, or reach the 30th day of absence for reasons such as suspension, illness or injury shall not be considered currently working. Engineers who are on leave as Company officers shall not be considered currently working.

Section 2: The designated representative of the Carrier and the BLE General Chairman or his designated representative will agree to the actual number of available engineers required at each location on the Southern Pacific Western Lines and the former EP&SW. The following will be used to determine the number of engineers required at each source of supply:

Number of Engineer Pool Turns
Number of Locals/Road Switchers
Number of Regular Yard Assignments
Number of Assigned Helper Pool Turns
Number of Relief Yard Assignments, if any
Number of Work Trains, if any
Sufficient Extra Board Positions

Section 3: The Carrier will have a sufficient number of available engineers at each source of supply by December 31, 1996. Thereafter, should the number of available engineers fall below the number of engineers required by Sections 1 & 2 of this article, the carrier will immediately take action to obtain a sufficient number of additional engineers to meet the requirements of Section 2.

ARTICLE 11
VACATION

Section 1: When engineers are unable to utilize all their vacation split days by November 30 of the current vacation year, the engineers shall have the option of being paid for their remaining vacation split days in lieu of the carrier assigning the remaining vacation split days. Engineers shall make request for payment for days not used by December 10 of the current vacation year; to be paid in the pay check for the first half of December of the current vacation year.

Section 2: Article 5 of the July 8, 1994, Agreement is revised to read:

"Effective with vacations scheduled for 1996, engineers who become eligible for an additional week of vacation during their anniversary year will be granted the additional week on or after the anniversary date without regard to whether they have taken all or any portion of their assigned vacation prior to the anniversary date. In the event the employee's anniversary date falls on or after December 25th, the employee will be permitted the additional week prior to their anniversary date, provided the additional week is added onto the end of and/or beginning of a scheduled vacation period."

ARTICLE 12
BACKLOG OF CLAIMS

The parties will commence a process of expedited claims review with a goal of reducing the backlog of claims. Meetings will be scheduled at the rate of two days per month, during which claims will be reviewed and conferenced in sequential order. Those claims which the parties cannot settle (pay/withdraw) will be placed in one of three categories:

1. Those which will go to regular arbitration (Special Adjustment Board 180).
2. Those which will go to expedited arbitration (Special Adjustment Board 1002).
3. Those involving old claims which no longer have precedential value because of intervening agreement changes, and other claims on which the parties agree, will go to expedited arbitration where the claim will be decided during the hearing process by "bench" decisions which do not establish a precedent.

ARTICLE 13
LOCAL CHAIRPERSON CONFERENCE OF TIME CLAIMS

Article 25, Section 4, of the Western Lines Agreement and Article 27, Section 5, of the EP&SW Agreement are amended to provide the following:

Within ninety days from the Company's denial, the Local Chairperson will prepare and present to the Manager of Timekeeping a list of claims to be conferenced. Time limits will be suspended until the claim is conferenced. Once the claim is conferenced:

- (i) if allowed, payment will be made within thirty (30) days.
- (ii) if denied, in conference, the Local Chairperson will have ninety (90) days following date of conference to appeal claim to the Manager of Timekeeping. The ninety (90) days is to be computed from the date of conference to the date of postmark of appeal.

It shall no longer be necessary for a Local Chairperson to advise an officer of the Company that their decision is not acceptable or of their intention to appeal.

ARTICLE 14
CHANGES IN HOME TERMINALS

No interdivisional service requiring a change in home terminal will be implemented prior to the effective date of settlement of a notice contemplated by Article 22, Section C, of the Agreement effective Date of Generic Agmt., 1995, unless agreed between the parties. The restriction set forth in the prior sentence shall also apply to interdivisional notices (if any) which have been served, but not yet implemented.

ARTICLE 15
JURY DUTY

Article X of the May 13, 1971, National Agreement as incorporated in Article 27, Section 6, of the Western Lines Agreement and Article 15, Section 5 of the EP&SW Agreement covering engineers are revised to read as follows:

"a) When an engineer is summoned for jury duty and is required to lose time from his/her assignment as a result thereof he/she will be paid for actual time lost with a minimum of a basic day's pay at the straight time rate of his/her position for each calendar day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging or transportation.

"b) An engineer must furnish the Carrier with a statement from the court of jury allowances paid and the days on which jury duty was performed.

"c) No jury duty pay will be allowed for any days on which the engineer is entitled to vacation or holiday pay.

"d) Engineers will only be entitled to the "make whole" provision set forth in Section 1 of this Article for a period of sixty (60) days for each separate period of jury duty served, after which they will only be entitled to a maximum of a basic day's pay at the straight time rate of their position for each calendar day lost."

ARTICLE 16
EXTRA BOARD GUARANTEE

Section 1: Article 1, Section (a) of the July 1, 1991 agreement between BLE Western Lines and former Pacific Electric and SPTCO governing extra board guarantees shall be revised to read as follows:

- "(a) Western Lines engineer extra boards, including former Pacific Electric and EP&SW, will be guaranteed the equivalent of a specified number of basic mountain through freight rate days per semi-monthly pay period:
- (i) Engineers entitled to the rate of pay with the \$ 15.00 rolled in shall be guaranteed the equivalent of eighteen (18) days per pay period.
 - (ii) Engineers other than those in Item (i) above shall be guaranteed the equivalent of sixteen (16) days per pay period."

Section 2: An extra board engineer who marks up following one or more days of vacation splits must perform service before again taking one or more days of vacation splits in order to avoid having the period of time between the vacation splits count as a period not protecting the extra board.

ARTICLE 17
UPDATED AGREEMENT

The parties will commence work to update the November 1, 1982, BLE Western Lines Agreement and the EP&SW Agreement with a goal of completion within six months from the effective date of this Agreement. When this has been completed, the Carrier will provide engineers with copies of the updated agreement.

ARTICLE 18
LOCAL ISSUES

Section A: The parties acknowledge that there are several local issues which could not be addressed during the negotiation of this agreement. In order to mutually address these issues, the parties agree to meet on the seniority district in response to a request from the BLE General Chairman.

Section B: During the first day of the above referenced meeting, the parties will identify the issues to be addressed. The Local Chairmen having jurisdiction within the territories where issues exist, will participate in these discussions. The parties further agree that within 90 days following the meeting the parties will prepare definitive proposals in response to the issues identified.

Section C: Any subsequent meetings on a seniority district, if needed, will be held by mutual agreement of the parties.

Section D: An experiment may be conducted on various pools to determine the feasibility of establishing flat rate assignments. The details of implementation of the experiment will be worked out by a team consisting of at least one Carrier member representing SP(WL) and at least one Organization member representing the BLE. Carrier will pay expenses and lost earnings of the BLE representative, not to exceed two (2) representatives, for not more than seven (7) days per month.

ARTICLE 19
CALLING

Article 30, Sections 1(a), (b), (c) and (f); Article 7, Questions & Answers (a), (c) and (e) of the Western Lines Agreement and Article 27, Sections 2 and 3 of the EP&SW Agreement are cancelled and replaced with the following language:

Section 1:

- (a) Engineers will be called as near as practical one and one-half (1½) hours prior to the time assignments assume duty, except at locations where local agreements provide otherwise. The caller will record the time the engineer received the call.
- (b) All engineers will be called by telephone provided at their own expense. Engineers will provide the carrier with their current telephone number and may also provide a second number and/or pager number to be called.
- (c) If call is placed to pager number, the engineer will have ten (10) minutes from time call is placed to respond for service. The Carrier will provide a separate 800 number for pager call back. The caller will call the pager a second time approximately five (5) minutes after the first call, but the ten (10) minute respond time starts from the time of the first call.
- (d) All calls will be tape-recorded, kept on file for at least one hundred eighty (180) days, and made available to the Organization

should a dispute arise. It is understood and recognized that the Carrier is relieved from this requirement in the event of mechanical failure and the parties will make a good faith effort to resolve disputes under these circumstances. This will not relieve the Carrier from making the proper notations on the calls sheets as required.

- (e) If the caller is unable to contact the engineer, the caller, for the record, will record the engineer's name, telephone number and current time during the second attempt to call the engineer.

Section 2:

- (a) Once engineer receives a call and such call is cancelled within four (4) hours and they have not taken charge of the power, they will be paid one half of a basic day and retain position on either the extra board or the pool board. In the event engineers are held on duty in excess of four (4) hours and less than eight (8) hours, or if they have taken charge of the power, regardless of the time on duty, they will be paid one basic day at the rate of service for which they are called and retain their position on the extra board or pool board regardless of whether or not they have taken charge of the power. Rate for the basic day will include class of engines if duty actually assumed. If call is cancelled at home before going on duty, the one-half basic day will be paid at the minimum basic day rate of the service for which called.
- (b) Once an engineer receives a call and the on-duty time is changed prior to leaving the place the call is received, the one-half basic day will be paid, if the engineer is not notified within fifteen minutes from the original call, or if the on-duty time is changed more than forty-five minutes. This only applies when the on-duty time is changed prior to leaving place of call and does not apply when call is cancelled.
- (c) Extra engineers or pool crews returned to their former positions on their respective boards under the provisions of the above interpretation will not be used prior to attaining their legal rest as long as other employees are available and will not be considered run around if following crew or crews are used prior to the expiration of their rest.
- (d) If an engineer is held in excess of eight (8) hours, he/she will be allowed actual time at the applicable rate.
- (e) Call and release rules which conflict with the above are superseded by the language in Section 2(a), (b), (c) and (d) above.

NOTE: Engineers having their on-duty time changed prior to leaving the place the call was received will not be considered as having had their rest disturbed.

ARTICLE 20
TEMPORARY TRANSFERS

Article 32, Section 4(c), of the schedule agreement and Article 11 of the July 8, 1994, agreement (Co. File No. E&F 188-138-Vancouver) are cancelled and replaced by Parts A and B below and Article 32, Section 9, of the schedule agreement is revised as provided in Parts A and B below. This article is also applicable to EP&SW engineers.

PART A
ENGINEERS TRANSFERRED WITHIN A SENIORITY DISTRICT

When the Company moves engineers from one point to another to augment a list for a rush period or for a short period of time, the engineers so transferred should be paid for deadheading and when their services are no longer required at the point to where sent the same engineers should be returned and compensated for deadheading to the point or station where originally stationed.

When extra lists are reduced at the request of the engineers account slack business, resulting in the changing of engineers from one point to another, pay for deadheading will not be allowed.

Engineers augmented to a terminal within the same seniority district in excess of 80 miles from the employee's home terminal will be entitled to transportation to and from the location to which they are augmented, lodging, transportation between lodging and work assignments, and a daily meal allowance. If transportation to and from the location to which they are augmented is anticipated to exceed six hours, air transportation will be used when available. The following will apply to engineers augmented to a terminal in excess of 80 miles:

1. Although under no obligation to do so, augmented employees may use their vehicles for transportation in lieu of Company-provided transportation upon advance approval from the Company. Augmented employees who utilize their vehicle will be compensated for mileage (one round trip) from the employee's residence to and from the location to which augmented and for work-related use while at that source of supply, in accordance with the Company's current mileage rate.
2. Augmented employees will be compensated a day's meal allowance (\$32.00) for any day on which they are away from their home location. For travel days, the meal allowance will be paid for any day the employee leaves his/her home location prior to 5:00 p.m. or arrives back at his/her home location after 11:00 AM.
3. For the period of augmentation, augmented employees may elect a daily lodging allowance of \$20.00 in lieu of Company provided lodging.

The term "augmented employee" refers to an employee whose seniority will permit him/her to hold a position at a location but is temporarily reassigned to another

location, pursuant to the needs of the Company. It is not intended that employees who exercise seniority at another location on the same seniority district be considered augmented employees.

PART B
AUXILIARY BOARDS - ENGINEERS TRANSFERRED
BETWEEN SENIORITY DISTRICTS

Section 1:

- (a) An engineers' auxiliary extra board (auxiliary board) can be established to provide a mechanism for using surplus engineers from one seniority district to augment a shortage on another seniority district. While on an auxiliary board, an engineer is subject to being used on any Western Lines seniority district where a need exists for engineers.
- (b) A seniority district having surplus engineers is defined as one on which the number of engineers available on the seniority list exceeds the number of engineers required in order to meet the mileage regulation pursuant to Article 32, Section 6(e) of the Western Lines Agreement covering engineers.
- (c) The number of positions available on the auxiliary board will not exceed one and one-half ($1\frac{1}{2}$) times the combined shortage of engineers required at all Western Lines seniority districts which have a need for engineers.
- (d) Nothing in this Part B is intended to modify or supersede the seniority rights, agreements or practices governing the use of engineers from one source of supply to another on the same seniority district.

Section 2:

- (a) Engineers will be assigned to an auxiliary board for a three (3) month period of time. Positions on the auxiliary board will be advertised in accordance with Article 32, Section 10 (a) and (b) of the agreement, and awarded the tenth of the month preceding the start of a three-month period, to be effective the first day of the first month of the three-month period.
- (b) Bids for positions on the auxiliary board will indicate the seniority districts that are considered to have an excess of engineers pursuant to Section 1(b) above and will be accepted from engineers on those seniority district. Positions will be assigned in seniority order in accordance with the applicants' ranking on the consolidated seniority roster, however the number of applications accepted from a seniority district will be limited to the number of engineers in excess on that district.

- (c) If an insufficient number of applications are received, the junior engineer(s) on the seniority district where an excess exists may be assigned, at the Company's discretion. If the total number of auxiliary board engineers needed exceeds the combined surplus at all seniority districts, the number will be supplemented by the engineers who have been cut off the working list.
- (d) The bulletin advertising positions on the auxiliary board shall indicate the seniority districts at which a need for engineers exists and the number of engineers desired for each seniority district and the seniority districts which are considered to have an excess of engineers pursuant to Section 2(b) above. Bids for positions on the auxiliary board may also state the engineer's preference for the seniority district on which the engineer will work. Preference for work district shall be honored in accordance with the engineer's standing on the consolidated roster of Western Lines engineers. Lacking a sufficient number of bids to a particular seniority district, the Carrier may use its discretion in assigning auxiliary board engineers to a work district.

Section 3: Engineers who either volunteer or are forced assigned to the auxiliary board will be known as an auxiliary board engineer and must remain thereon for a period of three months. During the period of time an engineer is on the auxiliary board, he/she will not be entitled to exercise seniority from that auxiliary board. Such engineer will be allowed full exercise of seniority upon completion of his/her auxiliary board obligation.

Section 4: Engineers force assigned to the auxiliary board will be released from the auxiliary board in seniority order if a younger seniority engineer becomes available on the seniority district from which the engineer was assigned. If the engineer who is to be released is in the middle of a work/rest cycle, the engineer will be released at the end of the work/rest cycle.

Section 5: An auxiliary extra board engineer will be used on one of the following work/rest cycles:

1. 31-day month:
 - a. Cycle - 20 consecutive 24-hour period (work segment) with 11 consecutive 24-hour periods (rest segment); or,
 - b. Split Cycle - 10 consecutive 24-hour periods (work segment) with 5 consecutive 24-hour periods (rest segment) followed by 10 consecutive 24-hour periods (work segment) with 6 consecutive 24-hour periods (rest segment).
2. 30-day month:
 - a. Cycle - 20 consecutive 24-hour periods (work segment), with 10 consecutive 24-hour periods (rest segment); or,

- b. Split Cycle - 10 consecutive 24-hour periods (work segment) with 5 consecutive 24-hour periods (rest segment) followed by 10 consecutive 24-hour periods (work segment) with 5 consecutive 24-hour periods (rest segment).

3. 29-day month:

- a. Cycle - 20 consecutive 24-hour periods (work segment) with 9 consecutive 24-hour periods (rest segment); or,
- b. Split Cycle - 10 consecutive 24-hour periods (work segment) with 5 consecutive 24-hour periods (rest segment) followed by 10 consecutive 24-hour periods (work segment) with 4 consecutive 24-hour periods (rest segment).

4. 28-day month:

- a. Cycle - 19 consecutive 24-hour periods (work segment) with 9 consecutive 24-hour periods (rest segment); or,
- b. Split Cycle - 10 consecutive 24-hour periods (work segment) with 5 consecutive 24-hour periods (rest segment) followed by 9 consecutive 24-hour periods (work segment) with 4 consecutive 24-hour periods (rest segment).

Section 6:

- (a) Work segments for an auxiliary extra board engineer shall begin at the time the engineer reports to the on duty point at the source of supply on the seniority district where he/she has been working, and shall end at the time the engineer is released from the work segment at that same source of supply. The off days (rest segment) will begin at the time the engineer arrives at that location. In the event the engineer is not returned to his/her on duty location by the end of the work segment, the following will govern:
 1. If arrival is less than four (4) hours past scheduled end time: no extra compensation.
 2. If arrival is four (4) hours or more, but less than eight (8) hours past scheduled end time: \$275.00 in addition to all earnings and guarantees.
 3. If arrival is eight hours or more, but less than 24 hours past scheduled end time: \$275.00 in addition to regular salary plus subsequent work segment will be reduced by one day (24 hours).

4. If arrival is 24 hours or more, but less than 48 hours past scheduled end time: \$550.00 in addition to regular salary plus the subsequent work segment will be reduced by two days (48 hours).
5. (a) For each additional 24 hours past the scheduled end time, until the engineer returns to his/her on duty point location: An additional \$275.00 plus the subsequent work segment will be reduced by one additional day (24 hours).
- (b) The Company will have the option of returning the auxiliary board engineer to his/her home source of supply (on duty point location) prior to the scheduled expiration of his/her work segment in order to avoid delay in commencement of scheduled rest segment.
- (c) A auxiliary board engineer performing service on an outside assignment will not be required to complete any other agreement obligation which will delay return to his/her on duty location for commencement of the rest segment.

Section 7: Auxiliary board engineers will only be required to protect service from one source of supply during a work segment. Auxiliary board engineers will be marked to the bottom of the engineers' extra board and be used in turn, with extra engineers already on that extra board. If two or more auxiliary board engineers report to extra board at the same time, they will be marked to the board in seniority order.

Section 8:

- (a) Auxiliary board engineers will be provided transportation to and from the location of their work segment, lodging, transportation between lodging and work assignments, and a \$32.00 daily meal allowance. If transportation to and from work segment is anticipated to exceed six hours, air transportation will be used.
- (b) Although under no obligation to do so, auxiliary board engineers may use their own vehicle for transportation in lieu of Company-provided transportation upon advance approval from the Company. Auxiliary extra board engineers who utilize their vehicle will be compensated for mileage (one round trip) from the engineer's home location to and from the work segment, and for work related use while at that location in accordance with current allowable IRS mileage rates.
- (c) Auxiliary extra board engineers will be compensated a day's meal allowance (\$32.00) for any day on which they are away from their home location, including travel days. For travel days, the meal allowance will be paid for any day the engineer leaves his/her home location prior to 5:00 p.m. or arrives back at his/her home location after 11:00 a.m. (Note: the \$32.00 meal allowance and \$20.00 per day allowance in lieu of lodging, when applicable, can only be claimed on a personal expense account, not a blue form.)

- (d) For each work segment, an auxiliary extra board engineer may elect a daily lodging allowance of \$20.00 in lieu of Company-provided lodging.

Section 9:

- (a) Pay for an auxiliary board engineer will be based on actual earnings made during a work segment, but not less than the extra board guarantee (\$5,046.84, to be adjusted in accordance with changes in the amount of basic day) per month, plus penalties, when applicable. Payment for the first half of a month shall be \$ 2,523.42 (one half of monthly minimum) regardless of the amount actually earned. If total earnings for the work segment exceed \$ 5,046.84, for the second half the engineer will be paid actual earnings for the work segment plus penalties, less the \$2,523.42 paid for the first half. If total earnings for the work segment are less than \$5,046.84, for the second half the engineer will be paid \$ 5,046.84 plus penalties, less the \$2,523.42 paid for the first half.
- (b) Auxiliary board engineers who make themselves unavailable for work for any portion of a work segment will have their monthly minimum (\$5,046.84) reduced one twentieth (1/20th) for each calendar day, or portion thereof, they are not available. Marking rest in accordance with agreement provisions will not be considered as making oneself unavailable. Guarantee (\$5,046.84 or \$2,523.42) will not be reduced for absences such as bereavement leave, jury duty, Company business (including physical and rules examinations), employee involvement programs, etc.
- (c) Although under no obligation to do so, auxiliary board engineers who accept an offer to extend their work segment, or perform service during their rest segment, will be paid for such service at the applicable road or yard rate in addition to monies paid under Sections 9(a) and (b) above, but not less than \$275.00 per day (24 hours).
- (d) Auxiliary Extra Board Engineers will accrue vacation credits based on one vacation credit for each \$117.19 in salary which will also be used to determine supplemental fund payment, if any.

Section 10: Engineers assigned to the auxiliary board will be paid in lieu for assigned vacations which fall during their time on the auxiliary board unless the parties mutually agree to move the assigned vacation to another time period.

Section 11: An auxiliary board engineer who has a bona fide family emergency, e.g., major illness or accident, specifies the nature of the emergency and furnishes the Company with material evidence, will be handled on a case by case basis.

QUESTIONS AND ANSWERS

- Q. 1. Does the Company have any obligation to call an auxiliary board engineer for service during his/her rest segment?
- A. 1. No, but if such service is offered by the Company, it will be in seniority order of the auxiliary board engineers assigned from that source of supply.
- Q. 2. Will an auxiliary board engineer who elects to remain at his/her work segment location during his/her rest segment be entitled to one round-trip airline ticket between his/her home location and the work segment location for a person they designate in lieu of the Company paid travel for the engineer?
- A. 2. Yes, but the Company is not obligated to pay meal allowance or lodging expense (including the \$20 allowance in lieu of lodging) to an engineer who elects to remain at his/her work segment location during a rest segment.

ARTICLE 21 PERSONAL LEAVE DAYS

Section A: On a calendar year basis, engineers (i.e. engineers regularly assigned to a position that observes the holiday rule) shall have the option of electing to take personal leave days in lieu of holidays. Employees may not change their election during the calendar year.

Section B: An engineer who has elected personal leave days in lieu of holidays shall be paid one basic day at the rate of the last service performed for each personal leave day taken. Any such engineer performing service on a holiday will be paid at the applicable time-and-one-half rate of pay but will not be entitled to holiday pay (the basic day's pay).

Section C: An engineer must be continuously assigned to a position that observes the holiday rule ninety (90) days prior to requesting personal leave days. Personal leave days may only be taken when an engineer is assigned to a position that observes the holiday rule.

Section D:

- (1) A request for a personal leave day by an engineer must be made and promptly confirmed in writing by the employee to the appropriate Company representative upon being relieved on the preceding work day to fill the position on the day or days to be taken and shall be granted to the extent permitted by the requirements of the service. Requests for personal leave days must be timely made in order to schedule all approved requests prior to the expiration of the calendar year.
- (2) If the requirements of service do not permit the engineer to take the requested personal leave days and the Company

representative refuses to grant the request, the number of personal leave days so requested and not granted may be carried over, but requests must be confirmed in writing and granted prior to May 1 of the following year.


ARTICLE 22
SAVINGS CLAUSE

Section A: The parties agree that all obligations of the carrier in connection with Article 7 of the July 1, 1991, Agreement (additional compensation) have been satisfied up to the date of this Agreement.

Section B: The parties recognize that this Agreement was reached in lieu of Section 6 Notices as contemplated by Article 11(a) of the Agreement effective July 1, 1991, and agree that all agreements, side letter agreements, moratoriums, understandings, including, but not limited to the engineer's participation in the supplemental productivity fund, fencing agreement or any other benefits implemented pursuant to Article 7, ("Me Too" provision) of the Engineer's Agreement effective July 1, 1991, will remain in full force and effect subject to their terms unless specifically changed and/or modified by this Agreement and shall be subject to change pursuant to the Railway Labor Act, as amended.

This agreement shall become effective September 1, 1995.

FOR THE BROTHERHOOD OF
LOCOMOTIVE ENGINEERS:



E. L. Pruitt
General Chairman
SPT (Western Lines)

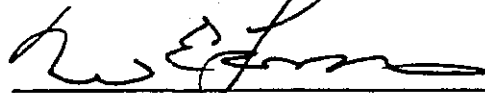


H. F. Stewart
General Chairman
SPT (Former Pacific Electric)

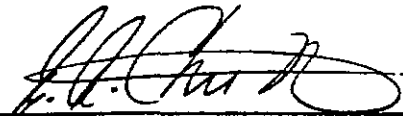
FOR THE SOUTHERN PACIFIC TRANSPORTATION
COMPANY:



T. J. Matthews
Chief Administrative Officer



W. E. Loomis
Director, Labor Relations



E. A. Christie
Manager, Labor Relations

95 OCT 10 AM 9:59

REGISTRATION ATTACHED



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2605

WHEN REPLYING REFER TO FILE:

Organization File Number E-27300
Co. File No. E&F 188-145

Side Letter No. 1

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, CA 94536

Dear Mr. Pruitt:

This will confirm our understanding that the pool between Sparks and Carlin, Nevada, and the pool between Wendel, California, and Carlin, Nevada, will be modified to provide for continuous held away from home terminal (HAHT) after sixteen (16) hours and payment of overmiles (miles in excess encompassed in the basic day) as set forth in Article IV, Section 2(c) of the May 19, 1986, Award of Arbitration Board No. 458.

This will further confirm that coinciding with the implementation of continuous held away from home terminal and payment of overmiles as provided herein, the 40-minute arbitrary allowance for crews which run through Imlay without stopping, as provided by Section 8 of the September 3, 1963, Agreement covered by E&F 1-1486, shall be discontinued.

Yours truly,

A handwritten signature in black ink, appearing to read "W. E. Loomis", written over a horizontal line.

W. E. Loomis

CONCUR:

A large, stylized handwritten signature in black ink, appearing to read "E. L. Pruitt", written over a horizontal line.

E. L. Pruitt
General Chairman, BLE



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2805

WHEN REPLYING REFER TO FILE:

Organization File Number E-27300
Co. File No. E&F 188-145

Side Letter No. 2

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, CA 94536

Dear Mr. Pruitt:

This is to confirm our understanding that BLE Local Chairmen will continue to be able to "float" their vacations as has been permitted in the past. My understanding is that this permits the Local Chairman to take his/her vacation at a time of his/her choosing without need to schedule in advance, but such vacations must otherwise be observed in accordance with applicable agreement provisions.

Yours truly,

A handwritten signature in black ink, appearing to read "W. E. Loomis", written in a cursive style.

W. E. Loomis

CONCUR:

A handwritten signature in black ink, appearing to read "E. L. Pruitt", written in a cursive style.

E. L. Pruitt
General Chairman
BLE (Western Lines)



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2605

WHEN REPLYING REFER TO FILE:

Organization File Number E-27300
E&F 188-145

Side Letter No. 3

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, CA 94536

Dear Mr. Pruitt:

This is to confirm our understanding that if the trainmen and switchmen, by virtue of an easier formula, become entitled to a 3% lump-sum payment if the Company's operating income in 1995, 1996 or 1997 exceeds \$258.6 million, (as provided in Article XXV of the November 16, 1993 UTU Agreement) Western Lines engineers will also be entitled to receive the same pursuant to the competitive adjustment provision. The 3% lump-sum payment will be based on individual W-2 earnings plus 401(k) contributions and is to be paid by the end of the first quarter in the year immediately following the year in which operating income met or exceeded the target.

Yours truly,

A handwritten signature in black ink, appearing to read "W. E. Loomis".

W. E. Loomis

CONCUR:

A handwritten signature in black ink, appearing to read "E. L. Pruitt".

E. L. Pruitt
General Chairman
BLE (Western Lines)



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2005

WHEN REPLYING REFER TO FILE:

Organization File Number E-27300
E&F 188-145

Side Letter No. 4

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, CA 94536

Dear Mr. Pruitt:

This is to confirm our understanding that the use of callers (aka "shagging") as provided in Article 27, Section 2, of the EP&SW Agreement will be eliminated. Accordingly, EP&SW engineers who currently do not have a pager number on record with the Company, will have a pager purchased at the Company's expense. This will further confirm that the Company will assume only the cost of the pager, and the employee will be responsible for all associated pager expenses [i.e., monthly payments, etc.].

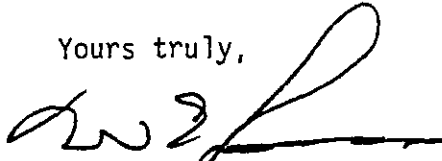
This is a one-time offer and will apply only to those EP&SW employees who, as of the effective date of this agreement, do not have a pager number on record with the Company. Employees who meet the criteria as provided herein, must forward their written request for a pager to the Manager of Crew Calling within sixty (60) days from the effective date of this agreement.

This will further confirm our understanding that the use of callers as provided in Article 30, Section 1(b), of the Western Lines Agreement will be eliminated. Accordingly, Western Lines engineers residing within a two-mile radius from the yard office who currently do not have a pager number on record with the Company and have not had a pager number on record with the Company during the 120 days preceding the effective date of this agreement, will have a pager purchased at the Company's expense. The Company will assume only the cost of the pager, and the employee will be responsible for all associated pager expenses [i.e., monthly payments, etc.].

Mr. Pruitt
September 1, 1995
Page Two

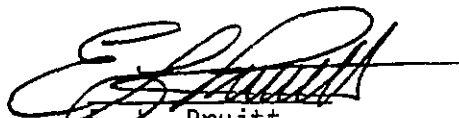
This is a one-time offer only and will apply only to those Western Lines engineers who meet the criteria provided herein. It is understood that a maximum of fifty (50) pagers will be purchased for Western Lines engineers to be distributed on a first come, first-served basis. Employees who meet the criteria must file their written request for a pager to the Manager of Crew Calling within sixty (60) days from the effective date of this agreement. Any requests received thereafter will not be considered.

Yours truly,



W. E. Loomis

CONCUR:



E. L. Pruitt
General Chairman
BLE (Western Lines)



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2805

WHEN REPLYING REFER TO FILE:

Co. File No. E&F 188-145
Organization File Number E-27300

Side Letter No. 5

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, California 94536

Dear Mr. Pruitt:

It is my understanding we agreed that coincident with the effective date of the September 1, 1995, agreement, Article 11½ of the SP Western Lines agreement will become applicable to yard engineers working under the former El Paso & Southwestern agreement to accommodate a five-day work week at yards where Article 16 of the August 1, 1995, agreement (effective September 1, 1995 on Western Lines) is in effect.

Further, it is my understanding we agreed that the rest days of all Western Lines and EP&SW five-day engineer yard assignments will correspond with the rest days of the companion switchman yard assignment.

If my understanding is correct, please signify with your signature in the space provided below.

Sincerely,

A handwritten signature in black ink, appearing to read "W. E. Loomis", written over a horizontal line.

W. E. Loomis

AGREED:

A handwritten signature in black ink, appearing to read "E. L. Pruitt", written over a horizontal line.

E. L. Pruitt, General Chairman



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2905

WHEN REPLYING REFER TO FILE:

Organization File Number E-27300
E&F 188-145

Side Letter No. 6

September 1, 1995

Mr. E. L. Pruitt, General Chairman
Brotherhood of Locomotive Engineers
38750 Paseo Padre Parkway, Suite A-7
Fremont, CA 94536

Dear Mr. Pruitt:

This will confirm our understanding that earnings made pursuant to Article 12, Sections 1(c) and (d) of the Western Lines agreement covering engineers and Article 18, Sections 1(a), (b) and (c)(1) of the EP&SW agreement, will acquire vacation credits which will apply toward the supplemental productivity fund payable to engineers pursuant to Article 7 of the July 1, 1991 agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "W. E. Loomis", written over a horizontal line.

W. E. Loomis

CONCUR:

A handwritten signature in black ink, appearing to read "E. L. Pruitt", written over a horizontal line.

E. L. Pruitt
General Chairman
BLE (Western Lines)



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2805

WHEN REPLYING REFER TO FILE

E&F 188-145

Side Letter No. 7

August 9, 1995

Mr. H. F. Stewart
General Chairman
Pacific Electric Company
335 N. Arroyo Drive
San Gabriel, CA 91775

Dear Mr. Stewart:

Pursuant to Item No. 6 of the agreement between Southern Pacific Transportation Company and the engineers of the former Pacific Electric dated December 21, 1984, matters of timing on PE engineer assignment advertisements were changed to conform with the timing of SP engineer assignment advertisements.

This will, therefore, confirm our understanding that Rule 16, Paragraph (b), Sentence No. 5 of the former Pacific Electric Agreement covering engineers and firemen:

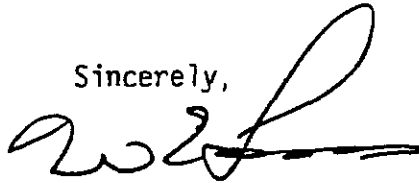
"To be considered, bids must be in possession of the designated officer not later than 10:00 a.m. the following Wednesday."

will be cancelled and replaced with the following language:

Mr. Stewart
August 9, 1995
Page Two

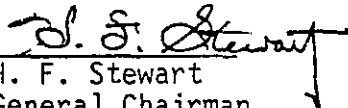
"Applications will be accepted until 9:00 AM of the seventh day at which time the senior engineer whose application is in the hand of the assignment clerk will be assigned."

Sincerely,



W. E. Loomis

CONCUR:


H. F. Stewart
General Chairman



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2005

WHEN REPLYING REFER TO FILE

E&F 188-145

Side Letter No. 8

August 9, 1995

Mr. H. F. Stewart
General Chairman
Pacific Electric Company
335 N. Arroyo Drive
San Gabriel, CA 91775

Dear Mr. Stewart:

This will confirm our understanding that the Company will continue to accommodate the General Chairman, H. F. Stewart, of the former Pacific Electric or the Vice General Chairman when acting as the General Chairman in his absence, by permitting him to lay off for the purpose of conducting union business in all but the most severe instances of available manpower shortages.

Sincerely,

A handwritten signature in black ink, appearing to read "W. E. Loomis", written over a horizontal line.

W. E. Loomis

CONCUR:

A handwritten signature in black ink, appearing to read "H. F. Stewart", written over a horizontal line.
H. F. Stewart
General Chairman



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2005

WHEN REPLYING REFER TO FILE

E&F 188-145

Side Letter No. 9

August 9, 1995

Mr. H. F. Stewart
General Chairman
Pacific Electric Company
335 N. Arroyo Drive
San Gabriel, CA 91775

Dear Mr. Stewart:

This will confirm our understanding that the Company will continue to accommodate the General Chairman, H. F. Stewart, of the former Pacific Electric or the Vice General Chairman, when acting as the General Chairman in his absence, by not requiring advance scheduling of vacation. Such vacations must otherwise be observed in accordance with applicable agreement provisions.

Sincerely,

A handwritten signature in black ink, appearing to read "W. E. Loomis". The signature is fluid and cursive, with a large, sweeping flourish at the end.

W. E. Loomis

CONCUR:

A handwritten signature in black ink, appearing to read "H. F. Stewart". The signature is cursive and somewhat stylized, with a prominent initial "H".

H. F. Stewart
General Chairman



SOUTHERN PACIFIC LINES

Labor Relations Department • One Market Plaza, Room 304 • San Francisco, California 94105 • Fax 415-541-1087

DIRECTOR
W. E. LOOMIS
(415) 541-2805

WHEN REPLYING REFER TO FILE

E&F 188-145

Side Letter No. 10

August 9, 1995

Mr. H. F. Stewart
General Chairman
Pacific Electric Company
335 N. Arroyo Drive
San Gabriel, CA 91775

Dear Mr. Stewart:

This will confirm our understanding that the parties will commence work to update the current agreement for the former Pacific Electric Railway Company upon completion of the BLE Western Lines Agreement update. When the update of the former Pacific Electric Railway Company Agreement has been completed, the Carrier will provide engineers with copies of the updated agreement.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. E. Loomis", written over a horizontal line.

W. E. LOOMIS

CONCUR:

A handwritten signature in dark ink, appearing to read "H. F. Stewart", written over a horizontal line.

H. F. Stewart
General Chairman