

MEMORANDUM AGREEMENT
between
CSX TRANSPORTATION, INC.
and its employees represented by
UNITED TRANSPORTATION UNION
(former L&N)

Pursuant to the provisions of Article IX - Interdivisional Service of the October 31, 1985 National Agreement, the parties signatory hereto agree that unassigned interdivisional through freight service may be operated between Nashville, Tennessee and Birmingham, Alabama under the following conditions:

ARTICLE I

Carrier will give the General Chairman of the United Transportation Union a written notice of not less than 20 days of its intention to operate crews in unassigned interdivisional freight service between Nashville, Tennessee and Birmingham, Alabama through the terminal of Oakworth, Alabama.

ARTICLE II

A. Unassigned interdivisional through freight service between Birmingham, Alabama and Nashville, Tennessee will be protected by a pool of crews which will operate first-in first-out from both terminals except as provided herein. Positions in the pool will be advertised and filled in accordance with applicable rules of the Schedule Agreement.

B. Employees of the N&D Seniority District shall be entitled to 59 percent of the service covered by this agreement and employees of the S&NA North Seniority District shall be entitled to 41 percent. The Carrier will keep a daily record of the pool and made up crews operated or deadheaded in this service, and will furnish a copy of such record, on a bi-weekly basis, to the Local Chairmen to the locations they request. The Local Chairmen will jointly notify Carrier's appropriate Officer, in writing, with copy to the General Chairman, advising when a pool crew should be advertised from one district to another pursuant to the equity provisions of this paragraph and/or when crews should be added or taken off. Any disputes concerning equity provided herein will be referred to the General Chairman and Senior Director Employee Relations for resolution.

C. Nashville will be the home terminal for crews protected by the N&D Seniority District and Birmingham will be the home terminal for crews protected by the S&NA North Seniority District.

D. Unassigned interdivisional service will be allocated between the two districts as shown on Attachment "A" in accordance with Article II, B. hereinabove.

E. Crews manning service covered by this agreement will operate through Oakworth, Alabama without changing off, except as provided herein.

ARTICLE III

A. N&D District crews arriving Birmingham, Alabama in unassigned interdivisional service will stand for call ahead of any S&NA District crews following their rest period, and S&NA District crews arriving Nashville, Tennessee in unassigned interdivisional service will stand for call ahead of any N&D crews following their rest period.

B. Employees who are not placed on duty for a service trip within 24 hours from registering off duty at the away-from-home terminal will be promptly deadheaded to the home terminal. This does not restrict carrier from requiring the employee to deadhead at anytime prior to expiration of the 24 hours.

C. Pool crews protecting service under the terms of this agreement will not be used to make short trips or to perform turnaround service out of the home or away-from-home terminal.

D. If necessary to make up an extra crew(s) for use in this interdivisional service, such crew(s) will be operated through to Birmingham or Nashville, as the case may be, and will then be deadheaded back to their home terminal separate and apart from service.

E. In the event an interdivisional pool crew is overtaken by the Hours of Service Law on the line-of-road, a relief crew will be provided from the destination terminal. Crews relieved on the line of road will be provided suitable transportation to the destination terminal. Suitable transportation is defined as Carrier-owned or provided passenger carrying motor vehicle or a taxi for purposes of this agreement provision.

F. Crews performing interdivisional service will not be tied up in route, but will be deadheaded or continued in service to their destination terminal and will be paid not less than the full mileage of their assignment.

G. Interdivisional pool crews will only be used in interdivisional through freight service.

ARTICLE IV

A. A uniform standard trip mileage of 201 miles will be allowed between Nashville and Birmingham without regard to the yard or location from which departure

is made, or yard or location in which the train is yarded, in accordance with Article 24(m) of the Schedule Agreement.

B. Pool crews protecting service under this agreement will be regulated on the basis of 3400 to 4000 miles per month, in accordance with Article 25 of the Schedule Agreement.

C. All miles run in excess of the miles encompassed in the basic day shall be paid for at the mileage rate established in Article IX, Section 2(b) of the October 31, 1985 National Agreement.

D. When a crew is required to report for duty or is relieved from duty at a point other than the on- and off-duty points fixed for the service covered by this agreement, the Carrier shall authorize and provide suitable transportation for such crew.

Note: Suitable transportation includes Carrier-owned or provided passenger carrying motor vehicles or a taxi, but excludes other forms of public transportation.

E. On assignments established hereunder, employees will be allowed a \$5.00 meal allowance after four hours at the away-from-home terminal and another \$5.00 meal allowance after being held an additional eight hours.

F. In order to expedite the movement of trains operated under this Agreement, the Carrier shall determine the conditions under which employees may stop to eat. When such employees are not permitted to stop to eat, they shall be paid an allowance of \$1.50 for the trip.

ARTICLE V

A. Conductors assigned to service operated under this Agreement will be qualified over unfamiliar territory by conductor pilots.

B. In order to provide for prompt qualification, all conductors called for pilot service who are not qualified over the entire territory of the assignment, may be required to begin or extend their trip over the entire territory of the run. Conductors called for pilot service will be notified when called if they will be required to extend their trip over the entire territory of the run.

C. When in the opinion of the Supervisory Officer, a conductor is taking an unreasonable amount of time to qualify, the conductor in question will be required to consult with the Supervisory Officer and the UTU Local Chairman having jurisdiction for the purpose of identifying and correcting the problem.

D. Investigations involving employees who are assigned to service under this Agreement will be held at the employee's home terminal unless the majority of the

crew members are terminated elsewhere. If attendance at an investigation requires an employee to travel from his home terminal, he will be allowed a basic day deadhead payment, and the applicable driving allowance (currently 28 cents per mile) for the miles traveled, lodging and the standard meal allowance applicable when tied up at other than his home terminal.

ARTICLE VI

A. The provisions of Article XIII of the January 27, 1972 Agreement shall apply to employees adversely affected by the implementation of this Agreement, and are attached to this Agreement as Attachment "B." Also attached as Attachment "C" is "Agreed Upon Questions and Answers" pertaining to these protective conditions.

B. Test period averages for the 12 months prior to the date the service is established will be furnished for all employees who are displaced as a result of the implementation of the service. The test period averages will be made available to the employees within 60 days after the service is implemented.

C. Displacement records for displaced employees will be furnished within 60 days after the last displacement occurs.

D. Carrier representatives and union representatives will meet within 90 days to resolve any disputes that may occur regarding whether an employee is an adversely affected employee as a result of the implementation of this service.

E. Claims for protective benefits under this Agreement are subject to the time limit provisions of Article 30 of the Schedule Agreement.

ARTICLE VII

A. All rules, agreements, interpretations or practices in effect on the day prior to the effective date of this Agreement remain in effect, except as specifically changed or modified by this Agreement and shall apply to the respective employees.

B. Where the rules of the respective agreements conflict herewith, the provisions of this Agreement will apply. Rules, or portions thereof, that are not in conflict with this Agreement are preserved.

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

D. This Agreement, and Attachments, satisfies Carrier's Notice dated March 2, 1986 to establish interdivisional pool freight service between Nashville, Tennessee and Birmingham, Alabama.

D. This agreement shall become effective on June 13 1992. After the agreement is placed into effect, it shall remain in effect for no less than six (6) months. After this six (6) month period, either party may serve a twenty (20) day written notice and cancel the agreement. If canceled, the unassigned interdivisional service will remain in operation and either party may proceed to arbitration pursuant to the applicable provision of Article IX of the October 31, 1985 National Agreement. Additionally, CSXT Labor Agreement 4-60(b)-92 will be null and void. If cancellation notice is not served within twelve (12) months from the effective date of this agreement, the agreement shall continue in effect subject to change in accordance with the provisions of the Railway Labor Act as amended.

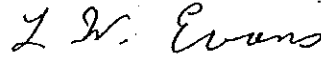
Signed at Jacksonville, Florida, this 13 day of June, 1992.

FOR THE EMPLOYEES:

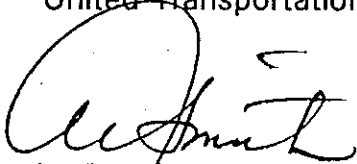


F. L. Fuqua, General Chairman
United Transportation Union

FOR THE CARRIER:



L. W. Evans
Senior Director Employee Relations



A. L. Smith, Vice President
United Transportation Union

ATTACHMENT "A"

ALLOCATION TABLE
CONDUCTORS AND TRAINMEN
UNASSIGNED INTERDIVISIONAL FREIGHT SERVICE
BIRMINGHAM - ALABAMA - NASHVILLE, TENNESSEE

SELECTION NUMBER	SENIORITY DISTRICT	NO. OF POSITIONS
1	N&D	1
2	S&NA	1
3	N&D	2
4	S&NA	2
5	N&D	3
6	N&D	4
7	S&NA	3
8	N&D	5
9	S&NA	4
10	N&D	6
11	N&D	7
12	S&NA	5
13	N&D	8
14	S&NA	6



Employee Relations

500 Water Street
Jacksonville, FL 32202

L.W. Evans, Senior Director
Central Region

June 12, 1992

File: CSXT Labor Agreement 4-60 (a) 92

Mr. F. L. Fuqua, General Chairman
United Transportation Union
9550 Regency Square Boulevard, Suite 609
Jacksonville, FL 32225-0609

Dear Mr. Fuqua:

This refers to our discussions concerning the issuance of test period averages for active employees who have worked as part-time union officers during the 12 months prior to the implementation of the Interdivisional service.

It was agreed that part-time union officers will be credited with 1.2 times their daily rate for each day they perform union work and were required to mark off during their test period. The dates, and rate of pay applicable to each, on which the individual lost time (or, in the case of an extra man, was laying off) in order to participate in organization business will be certified by the individual involved and by an officer of his organization and furnished to the designated officer of the Carrier.

Please indicate your concurrence by affixing your signatures in the space provided.

Very truly yours,

L. W. Evans

AGREED:

F. L. Fuqua

F. L. Fuqua
General Chairman

A. L. Smith

A. L. Smith, Vice President
United Transportation Union

V:\NASH\AWJD0402.02b



TRANSPORTATION

Employee Relations

500 Water Street
Jacksonville, FL 32202

L.W. Evans, Senior Director
Central Region

June 12, 1992

File: CSXT Labor Agreement 4-60 (b) 92

Mr. F. L. Fuqua, General Chairman
United Transportation Union
9550 Regency Square Boulevard, Suite 609
Jacksonville, FL 32225-0609

Dear Mr. Fuqua:

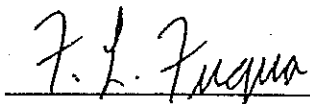
This refers to our discussion concerning the assigned interdivisional service which exists between Nashville and Birmingham.

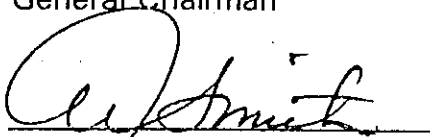
It was agreed that the assigned interdivisional service will be paid pursuant to Article IX, Section 2(b) of the October 31, 1985 UTU National Agreement, with the understanding that the allowance paid this particular assignment will not establish a precedent nor be referred to by either party in the handling of any other matters.

Sincerely,

L. W. Evans

AGREED:


F. L. Fuqua
General Chairman


A. L. Smith, Vice President
United Transportation Union

V:NASH\AWJD0402.01b



Employee Relations

500 Water Street
Jacksonville, FL 32202

*L. W. Evans, Senior Director
Central Region*

June 12, 1992

File: 4-60(c)92

Mr. F. L. Fuqua, General Chairman
United Transportation Union
9550 Regency Square Boulevard, Suite 609
Jacksonville, FL 32225-0609

Dear Mr. Fuqua:

This refers to our discussion concerning the slow/fast arrangement for crews operating in the Nashville, Tennessee to Birmingham, Alabama interdivisional service.

The parties recognize that a slow/fast arrangement may not work for the benefit of all parties, if the crews are not equally distributed between the two home terminals. However, all parties are agreeable to permitting the slow/fast arrangement to be placed in effect when the service is implemented, with the understanding that the parties will meet to implement alternate provisions if the arrangement is not working.

Please indicate your concurrence by affixing your signatures in the space provided.

Very truly yours,

L. W. Evans

AGREED:

F. L. Fuqua

F. L. Fuqua
General Chairman

A. L. Smith

A. L. Smith, Vice President
United Transportation Union

V:\NASH\AWJD0409.01o



TRANSPORTATION

Employee Relations

500 Water Street
Jacksonville, FL 32202

June 12, 1992

CSXT Labor Agreement 4-60(d)-92

Mr. F. L. Fuqua, General Chairman
United Transportation Union
9550 Regency Square Boulevard, Suite 609
Jacksonville, FL 32225-0609

Dear Mr. Fuqua:

This refers to CSXT Labor Agreement 4-60-92 concerning unassigned interdivisional through freight service established to operate between Nashville, Tennessee and Birmingham, Alabama, through Decatur (Oakworth), Alabama.

We have agreed to meet at a date subsequent to the implementation of this service to review the abolishment of jobs and displacement of employees affected thereby to determine the names of employees to whom protective conditions will apply. These employees will be certified as being adversely affected employees and will be entitled to the protective benefits provided in Article XIII of the January 27, 1972 UTU National Agreement.

Records concerning the abolishments and displacements will be reviewed for accuracy and completeness, at the local level, by the terminal officer(s) and local chairmen prior to our meeting outlined above.

Please indicate your concurrence by signing in the space provided below.

Yours very truly,

L. W. Evans
Senior Director Employee Relations

I AGREE:

F. L. Fuqua, General Chairman

ARTICLE XIII - PROTECTION OF EMPLOYEES

The scope and purpose of this Article XIII are to provide, to the extent specified herein, for fair and equitable arrangements to protect the interests of certain of the carriers' employees represented by the United Transportation Union who are adversely affected by the application of Article VII - Interchange, Article IX - Road-Yard Movements, and Article XII - Interdivisional Service of this Agreement; therefore, fluctuations and changes in volume or character of employment brought about by other causes are not within the purview of this Article.

Section 1. Definitions.

Wherever used in this Article, unless the context requires otherwise:

- (a) "Implementation" means the application and implementation of the provisions of Article VII - Interchange, Article IX - Road-Yard Movements, or Article XII - Interdivisional Service of this Agreement.
- (b) "Displaced Employee" means a carrier employee represented by the UTU who as a result of an Implementation is placed in a worse position with respect to his compensation.
- (c) "Dismissed Employee" means a carrier employee represented by the UTU who as a result of an Implementation is deprived of employment with the carrier because of the abolition of his position or the loss thereof as the result of the exercise of seniority rights by an employee whose position is abolished as a result of an Implementation.
- (d) "Protective Period" for employees covered by Section 2(a) of this Article means that period of time during which a Displaced or Dismissed Employee is to be provided protection hereunder. The Protective Period for such employee shall extend from the date he is displaced or dismissed for a period of time equal to the length of time which such employee has seniority in the craft or class at the time he is adversely affected. In no event, however, will the Protective Period extend beyond the employee's 65th birthday. Where an employee holds seniority as a conductor and brakeman or yardman or as an engineer and fireman, the earlier seniority date shall govern. In the event such a Displaced Employee elects to remain in the carrier's service after the first day of the month following the month he attains age 65, he will no longer receive any of the protective benefits of this Article XIII and the carrier may terminate on the same seniority district the protective benefits then being provided the junior Dismissed or Displaced Employee receiving protection under this Article on such seniority district on a one-for-one basis.
- (e) "Protective Period" for employees covered by Section 2(b) of this Article means the six-year period of time from the date such employee is dismissed but not to exceed the length of time which such employee has seniority in the craft or class at the time he is dismissed. Where an employee holds seniority as a conductor and brakeman or yardman or as an engineer and fireman, the earlier seniority date shall govern.

Section 2. Coverage.

(a) Subject to the other provisions of this Article, the protective benefits of Sections 3, 4, 5 and 6 of this Article XIII apply to:

- (1) Employees adversely affected directly or indirectly by an Implementation of Article XII - Interdivisional Service.
- (2) Regularly assigned employees assigned to yard crews that regularly spend more than 50 percent of their time in interchange work who are adversely affected as a result of an Implementation of the reciprocal interchange provisions of Section 5 of Article VII - Interchange. (Such employees will be determined by a joint check based upon the work performance of the involved yard crews for the 30 working days prior to the Implementation.)
- (3) Regularly assigned employees assigned to interchange or transfer crews adversely affected by the interchange of solid trains provision under Section 1 of Article VII - Interchange.
- (4) Employees of Terminal Companies adversely affected either directly or indirectly by the interchange of solid trains provision under Section 1 of Article VII - Interchange.

(b) Subject to the other provisions of this Article, the protective benefits provided in Sections 4 and 5 of this Article XIII will be accorded to any employee of the carrier adversely affected by Article VII - Interchange, other than those covered by subparagraphs (2) and (3) of Section 2(a) of this Article XIII, or Article IX - Road-Yard Movements.

(c) The protective provisions of this Section as applied to Terminal Company employees will include, in addition to the above, the exercise of seniority and acceptance of employment on the involved line-haul carriers, engine service employees being required to accept engine service employment and ground service employees being required to accept ground service employment. The involved line-haul carriers will make appropriate arrangements in connection with subparagraph (a)(4) of this Section and the foregoing.

Section 3. Displacement Allowance.

(a) So long during his Protective Period after a Displaced Employee's displacement as he is unable, in the normal exercise of his seniority rights under existing agreements, rules and practices, to obtain a position producing compensation equal to or exceeding the compensation he received in the position from which he was displaced, he shall be paid a monthly displacement allowance equal to the difference between the monthly compensation received by him in the position in which he is retained and the average monthly compensation received by him in the position from which he was displaced.

(b) Each Displaced Employee's displacement allowance shall be determined by dividing separately by 12 the total compensation received by the employee and the total time for which he was paid during the last 12 months in which he performed service immediately preceding the date of his displacement as a result of the Implementation (thereby producing average monthly compensation and average monthly time paid for in the test period). Both the above "total compensation" and the "total time for which he was paid" shall be adjusted to reflect the reduction on an annual basis, if any, which would have occurred during the specified twelve month period had Public Law 91-169, amending the Hours of Service Act of 1907, been in effect throughout such period (i.e., 14 hours limit for any allowance paid during the period between December 26, 1970 and December 25, 1972 and 12 hours limit for any allowances paid thereafter). Such allowance shall also be adjusted to reflect subsequent general wage increases. In the event a Displaced Employee shall have less than 12 months of service his total compensation and total time paid for shall be divided by the number of months in which he performed service.

(c) If a Displaced Employee's compensation in his retained position in any month is less in any month in which he performs work than the aforesaid average compensation (adjusted to reflect subsequent general wage increases) to which he would have been entitled, he shall be paid the difference, less compensation for time lost on account of his voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period but if in his retained position he works in any month in excess of the aforesaid average monthly time paid for during the test period he shall be additionally compensated for such excess time at the rate of pay of the retained position.

(d) If a Displaced Employee fails to exercise his seniority rights to secure another position available to him which does not require a change in his place of residence, to which he is entitled under the Schedule Agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated for the purposes of this section as occupying the position he elects to decline.

(e) The displacement allowance shall cease prior to the expiration of the Protective Period in the event of the Displaced Employee's resignation, death, retirement or dismissal for justifiable cause.

Section 4. Dismissal Allowances.

(a) A Dismissed Employee shall be paid a monthly dismissal allowance, from the date he is deprived of employment and continuing during his protective period, equivalent to one-twelfth of the compensation received by him in the last 12 months of his employment in which he earned compensation prior to the date he is first deprived of employment as a result of the transaction. Such allowance shall be adjusted to reflect on an annual basis the reduction, if any, which would have occurred during the specified twelve month period had Public Law 91-169, amending the Hours of Service Act of 1907, been in effect throughout such period (i.e., 14 hours limit for any allowance paid during the period between December 26, 1970 and December 25, 1972 and 12 hours limit for any allowances paid thereafter). Such allowance shall also be

adjusted to reflect subsequent general wage increases. In the event a Dismissed Employee shall have less than 12 months of service his total compensation and total time paid for shall be divided by the number of months in which he performed service.

(b) The dismissal allowance of any Dismissed Employee who returns to service with the carrier shall cease while he is so reemployed. During the time of such reemployment, he shall be entitled to protection in accordance with the provisions of Section 3.

(c) The dismissal allowance of any Dismissed Employee shall be reduced to the extent that his combined monthly earnings in other employment, any benefits received under any unemployment insurance law, and his dismissal allowance exceed the amount upon which his dismissal allowance is based. Such employee, or his representative, and the carrier shall agree upon a procedure by which Railroad shall be currently informed of the earnings of such employee in employment other than with the carrier, and the benefits received.

(d) The dismissal allowance shall cease prior to the expiration of the protective period in the event of the employee's resignation, death, retirement, dismissal for justifiable cause under existing agreements, failure to return to service after being notified in accordance with the working agreement, or failure without good cause to accept a comparable position which does not require a change in his place of residence for which he is qualified and eligible with the carrier from which he was dismissed after being notified.

Section 5. Separation Allowance. A Dismissed Employee entitled to protection under this Article, may, at his option within 7 days of his dismissal, resign and (in lieu of all other benefits and protections provided in this Article) accept a lump sum payment computed in accordance with Section 9 of the Washington Job Protection Agreement of May, 1936.

Section 6. Fringe Benefits. No employee of a carrier who is affected by an implementation shall be deprived during his Protective Period of benefits attached to his previous employment, such as free transportation, hospitalization, pensions, relief, et cetera, under the same conditions and so long as such benefits continue to be accorded to other employees of the carrier, in active service or on furlough as the case may be, to the extent that such benefits can be so maintained under present authority of law or corporate action or through future authorization which may be obtained.

Section 7. Seasonal Fluctuations and Declines in Business.

(a) In the event of a decline in a carrier's business measured by the net revenue ton-miles in any 30-day period compared with the net revenue ton-miles for the corresponding period in the preceding calendar year, the number of employees who are receiving dismissal or displacement allowances may be reduced at any time during the said payroll period to the extent of one percent for each one percent decline. Such reductions in protected employees shall be made in inverse seniority order. Upon restoration of a carrier's volume of net revenue ton-miles employees must be returned to their protective status to the extent of one percent for each one percent

rise in net revenue ton-miles. In the case of Terminal Companies, the decline in business shall be measured by the total number of loaded and empty cars received from and delivered to connecting carriers, including the number of loaded and empty cars handled in solid interchange trains, in any 30-day period compared with the volume of such interchange in the corresponding period in the preceding calendar year.

(b) In the event that an employee receiving a displacement allowance is subsequently placed in a worse position by reason of a seasonal fluctuation or a decline in business, so long as he continues in such position for that reason the amount paid him as his displacement allowance shall continue unchanged.

(c) In the event that a Displaced Employee is deprived of employment with the carrier as the result of a seasonal fluctuation or a decline in business, his dismissal allowance shall be the amount which was being paid him as his displacement allowance. An employee other than a Displaced Employee who is deprived of employment as the result of a seasonal fluctuation or a decline in business shall not be paid any protective benefits under this Article XIII.

Section 8. Arbitration of Disputes.

(a) In the event the carrier and the UTU are unable to settle any dispute or controversy with respect to the interpretation, application or enforcement of any provision of this Article within 20 days after the dispute arises, it may be referred by either party to an arbitration committee. Upon notice in writing served by one party on the other of intent by that party to refer a dispute or controversy to an arbitration committee, each party shall, within 10 days, select one member of the committee and the members thus chosen shall select a neutral member who shall serve as chairman. If any party fails to select its member of the arbitration committee within the prescribed time limit, the general chairman of the UTU or the highest officer designated by the carrier, as the case may be, shall be deemed the selected member, and the committee shall then function and its decision shall have the same force and effect as though all parties had selected their members. Should the members be unable to agree upon the appointment of the neutral member within 10 days, the parties shall then within an additional 10 days endeavor to agree upon a method by which a neutral member shall be appointed, and, failing such agreement, either party may request the National Mediation Board to designate within 10 days the neutral member whose designation will be binding upon the parties.

(b) The decision, by majority vote, of the arbitration committee shall be final, binding, and conclusive and shall be rendered within 45 days after the hearing of the dispute or controversy has been concluded and the record closed.

(c) The salaries and expenses of the neutral member shall be borne equally by the parties to the proceeding and all other expenses shall be paid by the party incurring them.

(d) In the event of any dispute as to whether or not a particular employee was adversely affected by an Implementation, it shall be his obligation to identify the adverse effect and specify the pertinent facts relied upon. If the facts so stated are sufficient to support a finding that the employee was so adversely affected by an Implementation, it shall then be the Railroad's burden to disprove those facts or prove that other factors affected the employee.

Section 9. Any Displaced Employee required to change his residence because of the Implementation of Article XII - Interdivisional Service shall receive the benefits contained in Sections 10 and 11 of the Washington Job Protection Agreement except that he will be allowed 5 working days instead of "two working days" as provided in Section 10 of said Agreement, and in addition to such benefits shall receive a transfer allowance of \$400.00. The National Mediation Board is substituted for the Interstate Commerce Commission in Section 11(d) of said Agreement. Change of residence shall not be considered "required" if the reporting point to which the employee is changed is not more than 30 miles from his former reporting point.

Section 10. If any protective benefits greater than those provided in this Article are available under existing agreements, such greater benefits shall apply subject to the terms, conditions, responsibilities and obligations of both the carrier and employee under such agreements, in lieu of the benefits provided in this Article. There shall be no duplication or pyramiding of benefits to any employees.

THE FOLLOWING QUESTIONS AND ANSWERS CONSTITUTE AGREED-UPON INTERPRETATIONS OF ATTACHMENT "A" - LABOR PROTECTIVE CONDITIONS

1. Q. Must a "Displaced employee" exercise his seniority to an equal or higher-paying job to which he would be entitled in order to qualify for displacement allowance?
 - A. Not necessarily. However, a "Displaced employee" failing to do so will be treated for purposes of the guarantee as occupying an available higher paying position, subject to application of the one-for-one principle as set forth in Question and Answer 3.
2. Q. Is an employee hired after the effective date of the interseniority district freight service eligible for protection under this agreement under any circumstances?
 - A. Yes, provided subsequent action taken by the carriers, pursuant to the Agreement covering this transaction, results in such employee attaining status as a "Displaced Employee" or a "Dismissed Employee".
3. Q. A job is available to more than one protected employee with higher earnings than any of their guarantees. Will the earnings of the higher assignment be charged against the guarantees of all such employees?
 - A. No more than one protected employee will be treated at any one time as occupying a higher rated position held by a junior man. That is to say, the senior employee who is not earning his guarantee will be treated as occupying the position producing the highest earnings; the second such senior employee will be treated as occupying the position producing the second highest earnings, and so forth.
4. Q. An employee performs service as Extra Yardmaster, both prior to and subsequent to the effective date of the interseniority district freight service. How will such service be computed?
 - A. (1) Such service and time prior to the interseniority district freight service shall be included in the test-period computations.
 - (2) Compensation for such service and time paid for subsequent to the interseniority district freight service shall be applied against the test-period guarantee.
5. Q. Is it necessary that an employee be displaced from his assignment or position in order to establish eligibility for protective benefits under the Agreement?
 - A. No, provided it can be shown that as a result of the involved "Transaction" such employee "is placed in a worse position with respect to his compensation."
6. Q. An employee with a guarantee of \$1,900 per month fails to exercise seniority to obtain a position with earnings of \$1,900. In a particular month, he earns \$1,850. What payment, if any, would be due?
 - A. None, subject to the one-for-one principle - See Q. and A. No. 3.

13. Q. Jones worked his average monthly hours (200), but in such period did not earn his average monthly compensation. During the month Jones marked off for two days. May the Carrier make deduction for the days Jones was off?

A. No deduction would be made as Jones worked his average monthly hours during the month.

14. Q. May an employee called and used as an emergency conductor or engineer, as the case may be, be charged with a loss of earnings on his regular assignment or with higher earnings on other assignments account of being so used?

A. No, as he is protecting his seniority as conductor or engineer in accordance with the requirements of the applicable Agreement.

15. Q. How is vacation pay treated in computing guarantees under this Agreement?

A. Hours and compensation for days on vacation during a calendar month are treated, for the purposes of the guarantee, the same as any other compensation and hours creditable to that month. Thus, if a vacation falls entirely within one month, the compensation and hours shall be treated as all other compensation and hours creditable to that month. However, when a vacation commences in one month and ends in another, the vacation compensation and hours will be proportioned between the months in accordance with the number of vacation days falling in each month.

16. Q. In computing monthly guarantees, may a protected employee be charged with voluntary absence when directed or summoned by the Company to attend investigation, court, rules classes, etc.?

A. No, provided such loss of time is necessary in order to reasonably comply with such directive or instructions.

17. Q. If an employee elects to accept the protective conditions of this Agreement while otherwise eligible for protection under a former protective arrangement or agreement, will such employee resume protection under the former agreement at the expiration of the protective period under this Agreement?

A. Yes, provided protection under the former agreement has not been exhausted or expired.

18. Q. What is the meaning of "change in residence"?

A. A "change in residence" as referred to in the Agreement shall only be considered "required" if the reporting point of the employee would be more than thirty (30) normal highway miles, via the most direct route, from the employee's point of employment at the time affected, and the normal reporting point is farther from the employee's residence than his former point of employment.

19. Q. A job is advertised and the potential earnings are not posted. Jones is the successful bidder and earns \$1,550 during the month. Could the earnings of any assignment with either higher or lower earnings be charged against Jones?

A. No, since the potential earnings of the job were not posted Jones would be entitled to \$1,550 plus \$50, or \$1,600, the amount of his monthly earnings guarantee, provided he met all other requirements. When the potential earnings of the job are posted, Jones would then be expected to place himself on a higher-paying position, in accordance with normal bidding or displacement rules at his first opportunity, subject to principles outlined in Q. and A. No. 1.

7. Q. Employee Jones' guarantee is \$1,800 per month, and he claims a job with earnings of \$1,850 per month. A junior employee, Smith, has guarantee of \$1,700 per month and claims a job with earnings of \$1,900 a month. In a month, Jones has earnings of \$1,750 and Smith earns \$1,875 in the same month. Can the job to which Smith is assigned be charged against Jones?
- A. No. Jones fulfilled his obligation by exercising seniority to an assignment with earnings equal to or exceeding his guarantee. Provided Jones met all other requirements, he will be due \$50.

EXAMPLES

Jones is senior to Smith and their respective test period monthly components are as follows:

(Jones)	Monthly earnings, average	\$1,600.00
	Monthly hours average	200 hours
	Monthly average hourly rate	8.00
(Smith)	Monthly earnings, average	\$1,550.00
	Monthly hours average	190 hours
	Monthly average hourly rate	8.16

8. Q. Jones was available for service the entire month and worked 210 hours and earned \$1,680. What compensation would be due Jones?
- A. The \$1,680 he earned.
9. Q. Jones was available for service the entire month and worked 190 hours and earned \$1,575. What compensation would be due Jones?
- A. His earnings of \$1,575 plus \$25, or \$1,600, the amount of his monthly earnings guarantee.
10. Q. Jones marked off two (2) days (his assignment worked 8 hours on each of the two days) during the month and worked 190 hours and earned \$1,575. What compensation is due Jones?
- A. He is only due \$1,575, his actual earnings, as he was not available for service equivalent to his base period of 200 hours; hence, 200 hours minus 190 hours leaves 10; 10 hours times his \$8 hourly rate equals \$80, which amount is deductible from the \$1,600 monthly guarantee.
11. Q. Jones marked off two (2) days (his assignment worked 8 hours on each of the two (2) days) during the month and worked 195 hours and earned \$1,550. What compensation would be due?
- A. His earnings of \$1,550 plus \$10, or \$1,560 calculated as follows: \$1,550 plus \$50 minus \$40 (200 hours minus 195 hours equals 5 hours times \$8 equals \$40 to be deducted.)
12. Q. Jones marked off two (2) days during the month and worked 170 hours and earned \$1,500. What compensation is due?
- A. \$1,500 as the calculation of his monthly guarantee, with deductions for two days' absence, resulted in less than his actual earnings, i.e., 16 hours (hours his assignment worked on the two off days) times \$8 equals \$128. \$1,600 minus \$128 equals \$1,472.