LABOR AGREEMENT

BETWEEN THE

TERMINAL RAILWAY ALABAMA STATE DOCKS

AND ITS

EMPLOYEES REPRESENTED BY THE

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

The parties to the Collective Bargaining Agreement hereby agree to the following changes to be effective as outlined below:

**Article I – General Wage Increases**

(a) The basic hourly rates of pay in effect on the date of this Agreement shall be increased as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2018</td>
<td>2.5%</td>
</tr>
<tr>
<td>April 1, 2019</td>
<td>2.5%</td>
</tr>
<tr>
<td>April 1, 2020</td>
<td>2.5%</td>
</tr>
<tr>
<td>April 1, 2021</td>
<td>2.5%</td>
</tr>
<tr>
<td>April 1, 2022</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

(b) In determining new hourly or minute rates, fractions of .5 cent or higher shall be rounded to the next full cent and fractions of less than .5 cent shall be dropped.

(c) The new rates of pay resulting from the general wage increases provided in paragraph (a) of this Article are set forth in Attachment A, hereto.

(d) Any retroactive pay between April 1, 2018 and the date that the Carrier implements the first general wage increase will be paid as soon as possible and no later than sixty (60) days from the date the Carrier is notified by the Organization of the ratification of this Agreement. Retroactive payments will only be made to employees who have an employment relationship with the Carrier on the date of this Agreement or who have retired or died subsequent to March 31, 2018.

**Article II-Health & Welfare Employee Contributions**

The current employee contribution toward the cost of Health and Welfare benefits will remain frozen at the current monthly rate of $200.00 per month until April 1, 2023, and thereafter unless and until changed pursuant to the provisions of the Railway Labor Act, as amended.
Article III – Term and Effect of this Agreement

(a) This agreement shall become effective on the date the Carrier receives written notification from the organization of ratification, and shall remain in effect until or unless changed under the provisions of the Railway Labor Act, as amended. Except as modified herein, all previous agreements remain in full force and effect.

(b) The purpose of this Agreement has been to modify and/or change existing rates of pay, rules and working conditions pursuant to Section 6 Notices served by the parties in 2018 under the Railway Labor Act, as amended. The parties hereby agree that under the terms of this Agreement all pending Section 6 Notices are hereby withdrawn.

(c) No party to this agreement will serve any notice or proposal under the terms of the Railway Labor Act for the purpose of changing the provisions of the collective bargaining agreement prior to January 1, 2023, to be effective no earlier than April 1, 2023.

(d) This Agreement will not bar the parties from agreeing upon any subject of mutual interest.

This Agreement is entered into this the 23rd day of January, 2019

FOR THE ORGANIZATION:
Joshua T. Hartford, General Chairman
IAMAW, District 19

FOR THE CARRIER:
[Signature]
Brandt O’Hall, Senior Vice President, Operations
SIDE LETTER NO. 1

Mr. Joshua T. Hartford
General Chairman, District 19
International Association of Machinists and Aerospace Workers
184 Tuttle Road
Canaan, ME 04924

Dear Mr. Hartford:

This is to confirm our understandings reached by the parties during our negotiations leading up to the above agreement.

The Carrier is currently engaged in bargaining with other shop craft unions representing other unionized shop craft employees. If, during this current round of bargaining, the Carrier reaches an agreement containing changes to wages or benefits with another shop craft union which the Organization believes to be more favorable than the terms of our Agreement, the parties will meet promptly to address the differences; and, as appropriate, adjust the wage and/or benefit terms in our Agreement.

It is recognized, however, that if the more favorable wages or benefits in that other Agreement are the product of quid pro quo improvements for the Carrier, in exchange for such wages or benefits, then those more favorable wages or benefits will not constitute a basis for making any adjustments to the wage and benefit terms of our Agreement between the Terminal Railway Alabama State Docks and the International Association of Machinists and Aerospace Workers.

Please indicate your concurrence in the space provided.

Sincerely,

[Signature]

Brad Ofard
Senior Vice President, Operations

I CONCUR:

[Signature]

Joshua T. Hartford
General Chairman
## ATTACHMENT A

### Rates of Pay

<table>
<thead>
<tr>
<th>Position</th>
<th>April 1, 2017</th>
<th>April 1, 2018</th>
<th>April 1, 2019</th>
<th>April 1, 2020</th>
<th>April 1, 2021</th>
<th>April 1, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>MACHINIST</td>
<td>$30.14</td>
<td>$30.89</td>
<td>$31.66</td>
<td>$32.45</td>
<td>$33.26</td>
<td>$33.93</td>
</tr>
<tr>
<td>MACHINIST LEADMAN $1.50 differential</td>
<td>$31.64</td>
<td>$32.39</td>
<td>$33.16</td>
<td>$33.95</td>
<td>$34.76</td>
<td>$35.43</td>
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<tr>
<td>MACHINIST (Tier 2)</td>
<td>$25.62</td>
<td>$26.26</td>
<td>$26.92</td>
<td>$27.59</td>
<td>$28.28</td>
<td>$28.85</td>
</tr>
<tr>
<td>MACHINIST LEADMAN (Tier 2) $1.50 differential</td>
<td>$27.12</td>
<td>$27.76</td>
<td>$28.42</td>
<td>$29.09</td>
<td>$29.78</td>
<td>$30.35</td>
</tr>
<tr>
<td>MACHINIST (Tier 2) Student 80%</td>
<td>$20.50</td>
<td>$21.01</td>
<td>$21.54</td>
<td>$22.07</td>
<td>$22.62</td>
<td>$23.08</td>
</tr>
</tbody>
</table>