BUFFALO & PITTSBURGH RAILROAD, INC.

AGREEMENT BETWEEN BUFFALO & PITTSBURGH RAILROAD, INC.
AND INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
(REPRESENTING MACHINISTS)

January 15, 2018
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ARTICLE 1 CLASSIFICATION OF WORK

1.1 Machinist Work Description: As an employee of the Buffalo & Pittsburgh Railroad machinists work shall consist of, but is not limited to, servicing and maintaining locomotives and their appurtenances according to guidelines established by the Company, which include the following: service, inspect and supply locomotives with fuel, water, lubricating material, sand, stationary, cab and sanitary supplies. Machinists will also be responsible to maintain and install wheel sets, draft systems, and their components, trucks and their components, air brakes, engine components, air compressors, turbo chargers, blowers, filters, fuel systems, lube oil systems, engine cooling systems, car bodies, cabs, doors, windows, install and align rotating equipment, fabricate and fasten various locomotive parts as may be required to service and maintain electrical equipment incidental to servicing and inspecting or in case of emergency. Machinist and their helpers will be responsible to keep and maintain a neat, clean and orderly work area. The Company will reserve the right to inspect equipment as may become necessary.

1.2 Machinist Helper Work Description: As an employee of the Buffalo & Pittsburgh Railroad machinist helper work shall consist of servicing and maintaining locomotives and their appurtenances which include the following: Service, inspect and supply locomotives with fuel, water lubricating material, brake shoes, sand, sand hoses and their piping, cab supplies, wash and clean locomotives cabs and car bodies. Helpers will be responsible to assist a machinist in any of the activities that may be classified as machinists work.

1.3 It is understood that notwithstanding the above classifications of work, less than four (4) hours’ work per day at an outlying point will not require the Company to employ a machinist or machinist helper.

ARTICLE 2 APPROVAL OF NEW EMPLOYEES

2.1 Application for employment will be approved or disapproved within a probationary period of one hundred (100) working days following the day the employee first performs service with the Company. An application that is rejected any time within such period will result in termination of the employee’s relationship with the Company for all purposes, and shall not be subject to the provisions of this Agreement, including Articles 13 and 14.

ARTICLE 3 OVERTIME

3.1 There will be an overtime call list for those employees represented by the International Association of Machinists and Aerospace Workers posted at the Butler Locomotive and Yard facilities and/or at any other locations as may be agreed upon locally, to meet service requirements, preferably by employees who volunteer for overtime service. The local committee will determine how hours will be counted. Carrier will call in order given by the committee. The overtime call list will be kept under lock and key, available to view by employees and made available to employees upon request.
3.2 The Company agrees to attempt to assign, as nearly as feasible, equal amounts of overtime among employees who voluntarily request to be placed on the overtime call lists.

3.3 Should there not be sufficient number of qualified employees who volunteer to properly take care of the work, any employee who may be called must respond at the time called, unless there is good and sufficient reason why the employee cannot respond. However, the Company will endeavor in any year to assign forced overtime so that it is distributed among qualified employees, rather than always to the most junior employees.

3.4 Any employee refusing call for other than good and sufficient reason will be charged, for the purposes of overtime equalization (paragraph 3.2), the same number of hours as the employee who responded.

3.5 The local committee of the International Association of Machinists and Aerospace Workers and representatives of the Company will cooperate in determining the employees to be called from the overtime call lists.

3.6 Employees must designate a telephone number at which they can be reached for the purpose of being called.

ARTICLE 4 WORK DAY and WORK WEEK

4.1 The starting time of a regularly assigned employee shall commence at the time he is required to report for duty, and his pay shall continue until the time he is relieved from duty. Eight consecutive hours of work constitutes a regular assignment.

4.2 There may be one, two or three shifts employed. The starting time of the first shift shall be between 6:00 a.m. and 8:00 a.m. The starting time of the second shift shall be between 2:30 p.m. and 5:30 p.m. The starting time of the third shift shall be between 11:00 p.m. and 1:00 a.m.

4.3 The ordinary work week of a regular assignment will consist of five consecutive days, with two consecutive rest days whenever possible.

4.4 The regular work, week of regularly scheduled positions shall commence on Wednesday of each calendar week. Effective within 90 days of signing all employees covered under this agreement will be paid on a bi-weekly basis with the payday as the second Thursday following the pay period ending date.

4.5 Subject to paragraph 4.2, the starting time and rest days of machinists and machinist helpers shall not be changed without at least forty—eight (48) hours’ advance notice to the employees holding such positions, except in emergency conditions such as major derailments, fire or Act of Providence, (flood, storm, etc.)
4.6 Employees working more than eight hours in one day or in excess of 40 hours in one work week shall be paid one and one-half times the basic straight time rate for such work. There shall be no permitting of overtime: for example, overtime hours paid for work in excess of eight hours in a day shall not be included in computing eligibility for overtime after 40 hours in a work week. Employees who are called into work will be allowed a minimum of 4 hours work or pay.

ARTICLE 5 SENIORITY

5.1 An employee who works in the machinist craft will acquire seniority rights as a machinist after the completion of a probationary period of one-hundred (100) work days retroactive to the first day of such service. During the probationary period, the employee shall not be subject to the provisions of Article 13 of this Agreement.

5.2 A permanent machinist vacancy shall be filled through the procedure set forth in Article 7 of this Agreement. In the case of a promotion, an employee shall be given a trial period of up to thirty (30) days in which to demonstrate qualification for the job bulletined, provided that the Company may, in its discretion, determine at any time within this period that the employee will not qualify, and may thereafter offer the next senior applicant the opportunity to such a trial period. Where an employee is disqualified prior to the end of the thirty (30) day trial shall receive the wage for the bulletined position for the remainder of the thirty (30) day trial period. Upon request, an employee shall be entitled to receive in writing the reason(s) for his disqualification and may require a conference, at which his IAM representative may be present, to discuss such disqualification. A grievance may be filed on behalf of the disqualified employee under Article 14 if it is felt that the employee's disqualification was arbitrary or capricious.

5.3 When the work force is reduced, the Company will furlough employees in order of their seniority starting with the least senior employee. The Company will not hire new employees in the machinist craft while there are employees on furlough status.

5.4 Furloughed employees are required to keep the Company informed of their current address. Failure to do so or failure to notify the Company and report for duty with the times designated in paragraphs 5.5 and 5.6 will result in the loss of seniority and forfeiture of all employment benefits.

5.5 When the work force is to be increased, furloughed employees will be recalled in order of seniority, based upon need, starting with the most senior. A recalled employee will retain his original seniority date and standing, provided he reports for duty within ten (10) days from the date such employee is provided notice of recall by certified mail, return receipt requested.

5.6 After an employee has received a recall notice, the employee must notify the Company within three (3) days and confirm the date on which he will return to work within the ten (10) day period described in paragraph 5.5.
5.7 After an employee has received a recall notice, the employee must notify the Company within three (3) days and confirm the date on which he will return to work within the ten (10) day period described in paragraph 5.5. A seniority roster, showing the names and seniority date will be issued by the Company and posted during January of each year. A protest of seniority acquired since the preceding year's roster must be made within sixty (60) days after posting, or it shall be barred. An error made in carrying forward seniority from the prior roster may be corrected at any time.

5.8 The appointment of a probationary employee as a machinist or lead machinist may be withdrawn at any time during the probationary period by the Company without recourse to Articles 13 and 14. It is understood that the Company may promote the most qualified employee to a lead or supervisory position, regardless of his position on the senior roster. It is also understood that the Company will first consider current employees for promotion. If, in the sole judgment of the Company, no qualified employees are available, the Company may recruit a qualified person from outside the Company to fill a lead or supervisory position.

5.9 An employee may exercise seniority rights only to a position for which he is currently qualified when:

a) His position is abolished.

b) He is displaced by a senior employee.

c) The starting time of his assignment is changed by more than two (2) hours. This shall not apply in case of general time changes such as going to and from Daylight Saving Time.

d) The regularly assigned rest days of a position are changed. (Seniority may be exercised either to or from the position affected.)

e) A regularly assigned relief position is changed by the number of first, second, or third shifts.

f) Returning from a leave of absence, disability retirement, or official position.

5.10 An employee desiring to exercise seniority under the provisions of this Article shall do so within ten (10) days after the effective date of changes referred to herein, and shall give not less than sixteen (16) hours’ advance notice to the proper officer before the starting time of the position on which displacing; provided, however, if prevented by illness, vacation, jury duty, or leave of absence, seniority must be exercised within ten (10) days thereafter. Failure to exercise seniority within the time limit herein prescribed shall result in the employee reverting to furlough status, with the right to bid on subsequently bulletined positions. When a junior employee is displaced, the displacement shall not be considered accomplished until the senior employee exercising seniority physically occupies the involved position.
5.11 Employees holding seniority under this Agreement who are promoted to non-Agreement or official positions shall retain their current seniority but shall be required to pay their regular monthly dues or an appropriate monthly fee, not to exceed the monthly union dues required of other employees by the Organization, in order to accumulate additional seniority. Such an employee who elects to stop paying regular monthly dues shall lose any seniority accumulated after promotion.

5.12 Carrier agrees in the event that the workforce is reduced due to operational changes or shop relocation, that senior qualified employees covered by this agreement will be given the opportunity to fill those relocated positions.

ARTICLE 6 LEAVE OF ABSENCE

6.1 Employees may be granted a written leave of absence without pay of up to ninety (90) days upon the approval of the General Manager and the General Chairman. An employee granted such leave will sign a copy of the written authorization and return it promptly to the Company.

6.2 Any employee on leave of absence from the Company may not engage in other employment unless approved by the General Manager and the General Chairman.

6.3 Employees accepting service with the Association of American Railroads, Railroad Retirement Board, National Railroad Adjustment Board, International Association of Machinists and Aerospace Workers, National Mediation Board, Interstate Commerce Commission, Federal Railroad Administration, National Transportation Safety Board, and employees elected to public office, shall be considered on unpaid leave of absence, retaining their employment relationship with the Company, including their seniority rights and rank, during the term of such employment, and may assert their seniority rights as provided in Article 5, except they shall have thirty (30) days after release from such employment unless prevented by physical disability.

6.4 A leave of absence without pay will be granted to any employee who is drafted or is called into active military duty, in accordance with the provisions of the Viet Nam Era Veterans’ Readjustment Assistance Act of 1974, which is administered by the Office of Veterans’ Re—Employment Rights within the Labor-Management Services Administration of the federal Department of Labor. The employee’s salary will be paid through his last day worked, and payment will be made for vacation earned but not taken up to the effective date of the leave.

6.5 A leave of absence without pay will be granted to an employee for the purpose of military reserve training. Such leave will be granted for the length of time necessary to complete the training, but not to exceed thirty (30) days in any one governmental fiscal year, which is July 1 through June 30.
ARTICLE 7 BULLETINING AND VACANCIES

7.1 New positions, and positions which have been temporarily vacant for more than two (2) months, or which it is reasonably expected will be temporarily vacant for more than two (2) months (excluding vacation vacancies), shall be bulletined as permanent vacancies. When such permanent vacancies occur they shall be bulletined within six (6) days to all employees, by means of a bulletin showing the location, hours of assignment general duties, weekly rest days and rate of compensation. The bulletin will be posted for a period of six (6) days, with the date and hour the bulletin closes to be specified. A copy of all bulletins will be furnished to the General Chairman; applications may not be withdrawn after the bulletin closes.

7.2 Application shall be made in duplicate, addressed to the officer issuing the bulletin, with a copy to the General Chairman, and shall be personally signed by the applicant.

7.3 Should more than one position be bulletined at the same time, employees may apply for any and all of them, but must indicate the order of preference in writing, and will be assigned to only one (1) position in accordance with stated preferences and respective seniority rights.

7.4 Temporary vacancies may be bulletined as outlined above if the vacancy is expected to exceed thirty (30) days. For temporary vacancies of not more than thirty (30) days, furloughed employees may be used to fill such vacancies. Furloughed employees who are used to fill temporary vacancies will be recalled for such vacancies in seniority order. All temporary assignments will cease on the return of the absent employee(s) and all employees holding temporary assignments will revert to their regular assignments.

ARTICLE 8 ABOLISHMENT NOTICES

8.1 Not less than five (5) working days’ notice shall be given the employees affected and the General Chairman before abolishment of a permanent position. The provisions of paragraphs 8.2 and 8.3 shall constitute an exception to such requirement.

8.2 Rules, agreements, or practices, however established, that require advance notice to employees before abolishing positions or making force reductions are hereby modified to eliminate any requirement for such notice under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire, or labor dispute other than as covered by paragraph 8.3, provided that such conditions result in a suspension of the Company’s operations in whole or in part. It is understood and agreed that such force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four (4) hours’ pay at the applicable rate for his position. If an employee works any portion of the day, he will be paid in accordance with existing rules. When the emergency no longer exists,
employees furloughed because of the emergency will be promptly permitted to return to
duty.

8.3 Rules, agreements, or practices, however established, that require advance notice before
positions are abolished or forces are reduced are hereby modified so as not to require
advance notice where a suspension of the Company’s operations in whole or in part is due
to a labor dispute between the Company and any of its employees.

ARTICLE 9 ATTENDING COURT, HEARINGS, JURY DUTY

9.1 When by request of the Company, employees covered by this Agreement are used as
witnesses at inquests or suits brought or defended by Company, or other Company
business, they will be paid for actual time lost and reimbursed actual expenses.

9.2 Employees who serve on jury duty will be paid the difference between the amount paid by
the Court, excluding expenses, for such service, and the amount of their normal straight-
time pay that would otherwise have been earned. No pay will be granted to employees for
this purpose that are already on vacation, leave of absence, furlough or a paid holiday.
Time paid or jury duty leave will not be included in the computation of overtime.

ARTICLE 10 BEREAVEMENT LEAVE

10.1 Bereavement leave is designed to allow an employee time off when a death occurs in the
immediate family. An employee will be given a leave of up to three (3) days with pay,
calculated at the straight—time daily rate of the normal assignment.

10.2 For purposes of this policy, the immediate family is defined as the employee’s spouse,
child, parent, parent-in-law, stepparent, stepchild, grandchild, sibling, step-sibling and
sibling-in-law, or grandparent.

10.3 The days of leave for which an employee will be paid will be limited to those days on
which he is regularly scheduled to work and does not work because he is arranging for,
traveling to and from, attending the funeral. No pay will be granted to employees for this
purpose that are already on vacation, leave of absence, furlough or paid holiday. Time
paid for bereavement leave will not be included in the computation of overtime.
ARTICLE 11 HOLIDAYS

11.1 Effective January 1, 2018, The Carrier recognizes the following days as paid Holidays, which shall be observed on the same day as the Federal Government observes them. It is the intention of the parties that Christmas Eve and Christmas Day, as well as New Year’s Eve and New Year’s Day, will be observed consecutively. The Carrier shall publish a memo specifying when these days will be observed by December 1\textsuperscript{st} for the following year.

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- New Year's Eve Day

11.2 In addition to the designated Holidays listed above employees covered by this agreement will receive three (3) Floating Holidays per calendar year. A request for a Floating Holiday must be submitted in writing to the employee’s Manager not less than forty-eight (48) hours’ notice of the time off needed. The Manager will approve or deny the request in writing within forty-eight (48) hours of receiving such request. If more than one request is received for the same day off, the granting of the request will be based on first come first serve. If more than one (1) request is submitted on the same day for the same day off, it will be awarded based on seniority. All floating holidays must be requested and approved before December 15\textsuperscript{th} of the current year.

**Note:** Employees hired on or after October 1\textsuperscript{st} of the calendar year will not be eligible for floating holidays until the following calendar year.

11.3 If a holiday identified in 11.1 above falls on a regular assigned day off then the employee shall receive a basic day’s pay at the straight time rate of pay.

11.4 If a holiday identified in 11.1 above falls during a vacation week, the holiday pay shall be paid in addition to the vacation pay.

11.5 Worked performed on any holiday identified in 11.1 above shall be compensated at the rate of one and one-half times the rate of pay.

11.6 To be eligible for holiday pay an employee must be available and perform service on their assigned work day before the holiday, and be available and perform service on their assigned work day after each holiday identified in 11.1 above. An excused absence such as Jury Duty or Bereavement, will not disqualify an employee from receiving Holiday pay. For the purpose of this rule, a work day will be considered four (4) or more hours of compensated service.
ARTICLE 12 VACATIONS

12.1 Effective January 1, 2018 full-time employees will earn vacation based on years of service as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 5</td>
<td>13</td>
</tr>
<tr>
<td>After 5</td>
<td>16</td>
</tr>
<tr>
<td>After 10</td>
<td>19</td>
</tr>
<tr>
<td>After 15</td>
<td>21</td>
</tr>
<tr>
<td>After 25</td>
<td>25</td>
</tr>
</tbody>
</table>

Vacation will be earned throughout the year on a pro-rata basis ("earn-as-you-go") calculated by using years of service starting January 1\textsuperscript{st} of the employee’s year of hire, as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Hours per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1</td>
<td>8.00</td>
</tr>
<tr>
<td>1 to 5</td>
<td>8.67</td>
</tr>
<tr>
<td>After 5</td>
<td>10.67</td>
</tr>
<tr>
<td>After 10</td>
<td>12.67</td>
</tr>
<tr>
<td>After 15</td>
<td>14.00</td>
</tr>
<tr>
<td>After 25</td>
<td>16.67</td>
</tr>
</tbody>
</table>

Employees joining the company during a calendar year will begin earning vacation during their second month of employment, and will be credited on the first day of each month for that month’s service. (For example, an employee hired in August will begin earning vacation time in September. On the 1\textsuperscript{st} day of September they would be credited 8 hours for September, and each succeeding month until the end of the year... entitling them to a total of 4 days of vacation for their year of hire.)

12.2 To facilitate scheduling of vacation in the early part of the year, an employee will be permitted to schedule, and take, any or all of their year’s vacation allotment prior to actually earning it. Employees will continue to earn vacation time during approved leave of absences.

12.3 Vacation payment(s) will consist of a day’s pay (8 hours) at the rate of pay of the last assignment worked for each paid day of vacation time taken. Except in the case of an emergency manpower shortage (as determined by the Carrier), all employees are required to schedule and take their vacations, and may not work in lieu of time off. Should such an emergency shortage occur, and the Carrier were to cancel an employee’s scheduled vacation day(s), the employee will have the option of rescheduling his cancelled vacation day(s) at a later time that same year or being compensated for the cancelled vacation time in addition to wages actually earned. The employee must inform the Carrier within fourteen (14) days of notification of cancelled vacation, in writing, of their decision to either reschedule their vacation day(s) for a later date or receive payment. If the employee does not make an election within fourteen (14) days, the default will be to receive payment for the owed vacation day(s).
Note: If an employee has a pre-planned destination vacation, the carrier cannot force the cancellation of vacation. Employee must provide documentation to support this.

12.4 Vacation earned during a calendar year must be taken during the year in which it is earned ("use-it or lose-it"). unless such vacation period has been cancelled by the Carrier for lack of manpower as indicated in the previous paragraph. An employee who severs their employment relationship during the calendar year will be paid for any unused and earned vacation through that date. New hires must work a minimum of six (6) months to receive unused/earned payout of vacation. In the event an employee's employment relationship ends, he/she will not be responsible to repay cost associated with used unearned vacation.

12.5 **Weekly Vacations - Scheduling:**

The designated supervisor of the Carrier will coordinate with the applicable Local Chairman, no later than November 15th, to determine the number of employees that may take vacation in each territory at a given time.

The Carrier will provide an annual calendar schedule indicating the number of employees allowed to take vacation in a given week by December 1st.

Employees will be required to submit weekly vacation requests to their supervisor and local chairman by December 15th for the following year. Weekly vacations (5 paid days plus 2 non-paid days) will be assigned in seniority order according to the employee’s craft seniority in the territory where working (senior employee having preference). If an employee does not submit their vacation request by December 15th, their vacation will not be assigned until after the employees who submitted a timely request have been assigned their vacations.

The vacation schedule is expected to be completed and posted by January 2nd unless extended by mutual agreement.

Vacations (either weekly or daily) may be changed later upon request and review between the Local Chairman and designated Carrier supervisor, provided sufficient manpower exists to protect the service.

12.6 **Daily Vacations - Scheduling:**

One week of vacation (five (5) paid days) plus the number of vacation days over weekly increments an employee is entitled to may be scheduled and observed in daily increments. Should an employee exhaust his daily vacation day entitlement and still desire additional daily vacations, such employee may exchange specified (paid) day(s) from his weekly entitlement to be scheduled alternatively as a daily vacation day or days. In any event, all remaining vacation days in the weekly vacation period so designated will be taken as assigned.
A daily vacation (DV) day may be requested at any time prior to the date for which requested; except, all requests for single days of vacation for the year must be accounted for and scheduled no later than October 1st (although they may be scheduled through the end of the year). Employee(s) making their request at least seven (7) days in advance of the DV date desired will be given preference in seniority order, with requests being made with less than seven (7) days' advance notice being allowed on a first-come, first-serve basis. All daily vacation request(s) will be granted provided there are sufficient employees available to man the service for such day(s). Should a conflict arise with dates requested to observe a single day(s) of vacation, such conflict will be decided by the General Chairman or his designee with the approval of the General Manager.

12.7 **2018 Vacation (earned in 2017):**
Unused vacation time earned in 2017, using the accrual method, will be paid out in full if the employee retired or passes away in 2018.

**ARTICLE 13 DISCIPLINE**

13.1 Subject to the following, an employee who has served the probationary period will not be disciplined without a fair and impartial hearing. The employee and the General Chairman of the Organization will be notified of the charge against him within thirty (30) days of the occurrence on which is to be based, or within thirty (30) days of when the Company's first knowledge of the incident.

13.2 Within fifteen (15) days of notification, the Company will conduct the hearing with the employee and a duly accredited representative, if desired, in attendance. The charged employee will be permitted to attend the investigation, hear all the evidence submitted, interrogate witnesses, and be represented by his choice of a duly-authorized representative of the Organization. The Local Chairman shall be permitted to attend the hearing without loss of pay.

13.3 Postponements of the formal hearing may be requested by either party and consent shall not be unreasonably withheld. Both the Carrier and the Organization will be entitled to one postponement without question from the other party. If there is a change in the location of the investigation, the employee and his duly authorized representative will be notified.

13.4 In some cases that Management deems to be serious (such as, but not limited to, theft, altercation, insubordination, dishonesty, negligence, threats to Company personnel or customers, damaging or defacing Company property or property entrusted to the custody of the Company or use or possession of alcoholic beverages, intoxicants, drugs, narcotics or major accidents) or when required by application of federal regulation governing the conduct of railroad operations, an employee may be withheld from service. If the employee was held out of service pending the conclusion of the investigation or lost wages to attend the hearing, is to be found innocent, that employee will be reinstated immediately and paid for time lost.

13.5 An employee called by the Company to attend an investigation as a witness will, if time is lost, be entitled to any actual loss of earnings. An employee required to attend an investigation
as a witness during his off time will be paid a basic day of pay at their regular rate of pay. The employee shall also be compensated for mileage, at the IRS rate, for any miles required to travel using his personal auto from his headquarted point to the terminal where the hearing is held if different from his headquarted point.

13.6 A decision shall be rendered within twenty (20) calendar days following the investigation, and written notice thereof will be given the employee, with copy to the representative. The employee and his representative shall be furnished a copy of the transcript of the investigation, including all statements, reports, and information made a matter of record. If decision results in suspension or dismissal, it shall become effective promptly.

13.7 Waiver
   a. An employee who has been notified to appear for a hearing may request prior to the hearing, to discuss with their immediate Supervisor, and representative if they so desire, the occurrence/incident and the employee's responsibility.
   
   b. If the disposition of the charges is made on the basis of the employee's acknowledgment of responsibility, the disposition must be made prior to the scheduled date of the hearing and such shall be reduced to writing and signed by the employee, his representative, and a carrier official. If the matter of responsibility and discipline is not resolved during the informal hearing, neither party will refer to this discussion of the occurrence/incident in any manner following the conclusion of said discussion.
   
   c. If investigation is not held or decision rendered within the time limits herein specified, or as extended by agreed-to postponements, the charges against the employee shall be considered as having been dismissed.

13.8 Appeal
   a. A discipline decision is to be appealed to the Highest Designated Officer authorized to handle claims or grievances, the appeal will be submitted within sixty (60) calendar days from date of discipline notice.
   
   b. A conference will be held with the Highest Designated Officer of the Carrier within sixty (60) calendar days after the date of appeal, or at such time as the parties may mutually agree. The Designated Officer must notify the Organization in writing of his decision within sixty (60) calendar days after the date conference or the claim will be paid without precedent or waiver of the contention(s) of the Carrier as to other similar claims or grievances.
   
   c. If claims denied by the Highest Designated Officer are to be further appealed, proceedings must be instituted within nine (9) months from date of the Carrier's written decision outlined in paragraph (b) above by the Employee or by his representative before a tribunal having jurisdiction under the Railway Labor Act.

NOTE: When notification in writing is required, personal delivery or proof of mailing (post mark date) within the specific time limit will be considered proper.
notification. Written communications between the Carrier and the Organization outlined above may be delivered electronically with the recipient acknowledging receipt thereof.

ARTICLE 14 CLAIMS AND GRIEVANCES

14.1 All claims or grievances must be presented in writing by the Employee involved or his duly authorized Local Chairman to the officer of the Carrier authorized to receive them, within thirty (30) calendar days from the date of occurrence (date of first knowledge) on which the claim or grievance is based.

14.2 The claim (Please see Attachment 1 – Time Claim Form) should contain the following information, if applicable:

   a. Name, occupation, Employee number, Headquartered point.
   b. Claiming employee on and off duty time.
   c. Date and time of day work performed.
   d. Location and details of work performed for which claim/grievance is filed.
   e. Upon whose orders work was performed, if known.
   f. Description of instructions issued to have such work performed.
   g. Agreement Article on which claim/grievance is based and reason supporting claim/grievance.

14.3 Should any such claim or grievance be disallowed, the Carrier will, within fifteen (15) calendar days from the date same is filed, notify the Employee or his representative, as the case may be, in writing of the reason(s) for such disallowance. If not so notified, the claim or grievance will be considered valid and settled accordingly, but this will not be considered as a precedent or waiver of the contention(s) of the Carrier as to other similar claims or grievances.

14.4 A disallowed claim or grievance is to be appealed to the Highest Designated Officer of the Carrier authorized to handle claims or grievances, the appeal will be submitted within sixty (60) calendar days from date of notice of disallowance from the first officer of the Carrier.

14.5 A conference will be held with the Highest Designated Officer of the Carrier within sixty (60) calendar days after the date of appeal, or at such time as the parties may mutually agree. The Designated Officer must notify the Organization, writing, of his decision within sixty (60) calendar days after the date conference or the claim will be paid without precedent or waiver of the contention(s) of the Carrier as to other similar claims or grievances.

14.6 If claims denied by the Highest Designated Officer are to be further appealed, proceedings must be instituted within nine (9) months from date of the Carrier's written decision outlined in paragraph (14.5) above by the Employee or by his representative before a tribunal having jurisdiction under the Railway Labor Act.
14.7 When, at any level handling, the Carrier agrees that a time claim is valid, the payment to the Claimant will be made within thirty (30) calendar days. The person submitting the appeal will be notified of the payment.

14.8 The time limit provisions of this Article may be extended at any level of the handling of a claim by mutual written consent of the duly authorized officer of the Carrier and the involved representative of the Organization.

14.9 A claim may be filed under paragraph (14.2) above for a continuing violation, specifically designating the claim in this manner, and all rights of the claimant or claimants involved thereby shall, under this Article, be fully protected by the filing of such claim, or grievance based thereon, as long as such violation, if found to be such, continues.

Note: When notification in writing is required, personal delivery or proof of mailing (post mark date) within the specific time limit will be considered proper notification. Written communications between the Carrier and the Organization outlined above may be delivered electronically with the recipient acknowledging receipt thereof.

ARTICLE 15 INSURANCE COVERAGE

15.1 On January 1, 2018, Employees shall participate in the Carrier Health and Welfare plans under the same terms and conditions as other Carrier employees who are enrolled in the same plans (Medical, Dental, Vision, Life Insurance, Short Term Disability Insurance and Long Term Disability Insurance) and will contribute the same Employee monthly premium amounts paid by non-represented Carrier employees for the benefits in which they enroll.

15.2 For successive benefit years, the monthly premiums may be further adjusted upward by no more than 15% annually.

15.3 Employees must first meet the qualifying criteria as described in the Plan before they can become eligible to receive benefits. A booklet outlining the coverage available can be obtained from the Human Resources Office. The Carrier will notify the organization of any updates, amendments or modifications to the plan and will if requested meet to discuss the updates, amendments or modifications with the Organization.

15.4 If an employee is placed on furlough, disability or sickness while he is covered and the Employee has participated in the plan for at least three full months, his coverage will continue during his furlough for up to three months following the month in which he last rendered compensated service prior to the furlough, disability or sickness. It is understood that the Employee must keep his employment relationship with the Carrier for coverage to continue. Coverage may not be extended through the use of paid time off after the furlough, sickness or disability leave has started.
ARTICLE 16 MEDICAL EXAMINATIONS

16.1 Should employees covered by this Agreement be required to take medical examinations by Company—designated physician(s), such examinations shall be at Company expense and shall not be more frequent than once each year, unless in the opinion of the Company, the employee’s health or condition is such that an examination should be made for the purpose of informing them of disability or illness and to determine if the employees are able to perform service. The physician(s) shall promptly prepare a written report showing in detail the findings as to the employee’s condition and a copy of this report shall be given to the employee, and at his request, the employee’s representative.

16.2 An employee may schedule a medical examination with a physician of his choice and at his expense for the purpose of demonstrating that he is able to perform service. The physician shall promptly prepare a written report showing in detail the findings as to the employee’s condition and a copy of the report shall be given to the designated Company representative.

16.3 If an employee has been furloughed for more than thirty (30) days and is recalled or rehired, he shall be required to pass a medical examination (including drug and alcohol testing).

16.4 In the event that written reports of the employee’s and the Company’s physicians do not agree as to the employee’s condition, arrangements may be made for his examination by a third and non-participating physician. If possible, the selection of the third physician shall be made by the two physicians, but in the event of failure to agree upon such third physician, the selection shall be made by the employee or his representative and the designated representative of the Company. An opinion concurred in by two of the three physicians shall be conclusive and binding on all parties. The fee of the third physician shall be borne equally by the employee and the Company. Any attending expenses shall be similarly divided.

16.5 Whenever it is necessary under this Article to select a third and non—partisan physician, he shall be given a copy of the written reports made by the employee’s and the Company’s physicians.

16.6 Where an employee has been disqualified for active service hereunder, he shall be granted a leave of absence by the Company and thereafter may, within reasonable intervals, request re—examinations when he has reason to believe he has recovered sufficiently to resume work.
ARTICLE 17 MISCELLANEOUS

17.1 Based upon computer capacity, payroll deductions are available to all permanent full--
time employees who execute a suitable written deduction authorization for the following
purposes:

a. Periodic Union dues, initiation fees, assessments and insurance premiums where
included in monthly dues (not including fines and penalties) payable to the Union in
accordance with a letter of understanding executed by the parties and attached hereto.

b. Direct checking and savings deposit accounts with financial institutions which will
be specified by the Company in a memorandum to employees.

c. United Way Fund.

d. Other purposes as from time to time designated by the Company.

e. Machinists Non-Partisan Political League.

17.2 Employees covered under this agreement will be eligible to receive an annual
reimbursement of, one hundred twenty-five ($125) dollars for the purchase of a steel toe
lace top boot with defined heel (minimum of 6” in height). A shoe allowance form and
receipt must be completed and submitted for reimbursement. If the Northeast Region
adopts an enhanced safety shoe allowance plan for the Region, that plan will be extended
to employees covered by this agreement.

17.3 Training: Each employee covered by this agreement may be required to attend up to ten
(10) days of company sponsored training per year. All customary expenses including
travel, lodging and meals will be paid by the carrier. Mileage will be reimbursed using
the I.R.S. determined rate for mileage allowance for the date of travel.

When an employee must travel to a training class on his or her off day: Employees will
be compensated for time traveling to training sessions up to four (4) hours at the straight
time rate to classes in the NY/PA region or equivalent travel outside the region.
Employees will be compensated eight hours at the straight time rate when it may be
necessary to fly or drive to a training class that would be considered outside the Northeast
region or equivalent distance.

17.4 Carrier agrees to reprint the new agreement and provide each member as well as the
organization with a copy.

17.5 At the beginning of the first full week of the first month after ratification the Carrier
agrees to pay the weekly cost of uniform rental up to $7.00 per week for each employee
covered by this agreement. Any costs that exceed the $7.00 cap will be the responsibility
of the employee. The excess amount will be deducted bi-weekly from the employees’
wages. The Carrier reserves the right to select the vendor who will supply the uniform
service.
17.6 Time in military service counts toward qualifying years of service for vacation. But employees do not earn qualifying vacation days while on military leave.

ARTICLE 18 WAGES AND BENEFITS

18.1 Basic hourly wages will be as follows:

<table>
<thead>
<tr>
<th>Increase</th>
<th>2%</th>
<th>5%</th>
<th>4%</th>
<th>4%</th>
<th>3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Ratification*</td>
<td>1/1/2018*</td>
<td>1/1/2019*</td>
<td>1/1/2020*</td>
<td>1/1/2021*</td>
<td></td>
</tr>
<tr>
<td>Machinist</td>
<td>$26.82</td>
<td>$28.16</td>
<td>$29.29</td>
<td>$30.46</td>
<td>$31.38</td>
</tr>
<tr>
<td>Machinist Helper</td>
<td>$24.13</td>
<td>$25.34</td>
<td>$26.36</td>
<td>$27.41</td>
<td>$28.23</td>
</tr>
</tbody>
</table>

*If ratified on or before January 15, 2018, full retroactivity to January 1, 2018.

NOTE: All increases will be effective the beginning of the first payroll period after the date indicated.

18.2 Wage increases shall be provided to Helpers in accordance with completion of on-the-job training by working along with a Machinist, together with forty-eight (48) education lessons designated by the Vice President, Mechanical covering diesel engines, locomotive trucks, air compressors, air brakes, FRA inspections, and welding. The Helper will also be required to attend various away-from home classes pertaining to diesel engines and air brakes.

a. The costs of all the above training materials as well as transportation, meals and lodging when away from home will be assumed by the Company. This training will be presented over twenty-four (24) months, requiring two Railway Education lessons to be completed and turned in each month for grading. Upon satisfactory completion of the first twenty-four (24) lessons and twelve (12) months of actual service, the employee will be awarded a wage increase of $1.00 per hour in addition the hourly compensation.

b. The employee will then start the second twelve (12) months and must complete the remaining twenty-four (24) Railway Education lessons within this period. Upon satisfactory completion of the assigned lessons and twelve (12) additional months of actual service, the employee will be promoted to the rank and wage rate of Machinist.

18.3 Lead Positions - Hourly employees will be considered for the Leader position from the ranks of the existing work force. The senior qualified employee desiring to do so may be assigned by virtue of his seniority.

An employee shall be given a reasonable trial to prove his qualifications, not to exceed five (5) working days. An employee failing to qualify for the position selected after being given a fair opportunity to demonstrate his qualifications, will retain all prior seniority and will return to his former position unless it has been abolished or permanently filled by a
senior employee, in which event he will exercise seniority within twenty four (24) hours of his return.

Lead Machinist will be paid a premium of $.50 per hour above the regular rate of Machinist. The Lead Machinist premium will not be used to calculate future wage increases.

Lead Machinist will be paid a premium of $1.00 above the regular rate of Machinist when filling in for a supervisor, which includes directing and assigning work to other employees. This premium will be considered as compensation to the affected employee for accepting additional responsibility in managing the shift.

18.3 401(k) SAVINGS PLAN

a) Employees may join the plan any time after the first of the month following the start of their employment with the Company.

b) Beginning with the first calendar quarter after one year of employment, the Company will provide a 100 percent match on the first four (4) percent of pay contributed by the Employee to the Plan, which will not exceed four (4) percent of the Employee’s compensation for that year.

c) (Note: not addressing the employer match). Employee may participate in the Carrier 401k plan under the same terms and conditions as all other Carrier employees who are enrolled in the same plan. The Carrier will notify the Organization of changes, alterations, amendments or modifications in the 401k plan prior to the effective date and at the Organization’s request will discuss such changes with the designated National Representative; however, nothing contained in this Collective Bargaining Agreement is intended to limit the right of the Carrier to alter, modify, change or amend the plan, or plan design, at any time, so long as the change(s) also apply(ies) to all other Carrier employees who are enrolled in the same Plan. The above language does not apply to the Carrier’s contribution rate.

ARTICLE 19 DIRECT DEPOSIT

19.1 All current employees covered by this Agreement will be required to sign up for direct deposit of their paychecks no later than sixty (60) days following the effective date of this Agreement.

19.2 All individuals covered by this Agreement, that establish seniority subsequent to the effective date of the Agreement, will be required to sign up for direct deposit no later than the first day following the end of their probationary period.
ARTICLE 20 EFFECT AND CHANGES

20.1 The purpose of this Agreement is to establish the working rules and fix the general level of compensation during the period of the Agreement between the parties signatory hereto.

20.2 This Agreement shall become effective January 15, 2018, and shall remain in effect through December 31, 2021, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties of this Agreement shall not serve nor progress prior to January 1, 2021 (not to become effective before January 1, 2022), any notice or proposal for changing any matter contained in this Agreement.

(d) This article will not bar the Carrier and the Organization from agreeing upon any subject of mutual interest.

(e) The 20 Articles, 2 appendices, and one attachment comprise the complete Agreement between the parties signatory hereto.

Signed this 15th day of January 2018, in Rochester, NY.

For the International Association of Machinists and Aerospace Workers

James B. Orwan
General Chairman

For the Buffalo & Pittsburgh RR

Leonard Wagner
President
APPENDIX A UNION SHOP

1. All employees covered by the Agreement to which this Appendix is attached shall, as a condition of their continued employment, become members of the organization party to that Agreement representing their craft or class within sixty calendar days of the date they are first appointed to a permanent position as such employees after the effective date of that Agreement, and thereafter shall, remain members in good standing in such organization.

2. (a) Employees who retain seniority under the rules and working conditions provided in the Agreement to which this Appendix is attached who are regularly assigned or transferred to full-time employment not covered by that Agreement, or who are furloughed on account of force reduction, will not be required to maintain membership where required by Section 1. of this Appendix as long as they remain in such other employment or furloughed, but they may do so at their option. Should such employees return to service covered by the Agreement to which this Appendix is attached, they shall, as a condition of their continued employment subject to Section 1 above, be required to become and remain members in good standing in the organization representing their craft or class within thirty days from the date of their return to such service.

(b) The seniority status and rights of employees furloughed to serve in the Armed Forces shall not be terminated by reason of any of the provisions of this Appendix, but such employees shall, upon resumption of employment covered by the Agreement to which this Appendix is attached, be covered by Section 1 of the Appendix.

3. Nothing in this Appendix shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are applicable to any other member, or if the membership of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership. For purposes of this Section, dues, fees, and assessments shall be deemed to be “uniformly required” if they are required of all employees in the same status at the same time in the same organizational unit.

4. (a) The Company will furnish the organization information requested by the General Chairman with respect to the employment status of employees in the craft or class represented by it, and which is reasonably necessary for the administration of this Appendix. The organization will notify the Company in writing of any employee who, by reason of failure to comply with the terms of this Appendix, is not entitled to continue in employment. Upon receipt of such notice, the Company will, as promptly as practicable, but within ten calendar days of such receipt, so notify such employee in writing by certified mail, return receipt requested, or by personal delivery evidenced by receipt. A copy of such notice shall be given to the organization. Any such employee who disputes the fact that he has failed to comply with the terms of this Agreement shall, within a period of ten calendar days from the receipt of such notice, request the Company in writing to accord him a hearing. Upon receipt of such request, the Company shall set a date for hearing which shall be held as soon as possible and within ten calendar days of the date of receipt or request therefore. Notice of the date set for hearing shall be promptly given the employee in writing by certified mail, return receipt requested, or by personal delivery evidenced.
by receipt. A copy of such notice of hearing shall be given to the organization and the
organization shall attend and participate in the hearing. The receipt by the Company of a request
for hearing shall operate to stay action on the termination of employment until the hearing is held
and the decision of the Company is rendered. If such employee fails to request a hearing as
provided herein, the Company shall proceed to terminate his employment on the basis of the
record created by the foregoing procedures, and seniority in that craft or class not later than thirty
calendar days from receipt of the above-described notice from the organization, unless the
Company and the organization agree otherwise in writing.

(b) The Company shall determine on the basis of the evidence produced at the
hearing whether or not the employee has complied with the terms of this Appendix and shall
render a decision accordingly. Such decision shall be rendered within ten calendar days of the
hearing date and the employee and the organization shall be promptly advised thereof. If the
decision is that the employee has not complied with the terms of this Appendix, his employment
and seniority in that craft or class shall be terminated within ten calendar days of the date of said
decision, unless the Company and the organization agree otherwise in writing. If the decision of
the Company is not satisfactory to the employee or to the organization, it may be appealed
directly to the highest officer of the Company designated to handle such appeals. Such appeal
shall be taken within nine calendar days from receipt of the decision appealed from, and if taken,
shall operate to stay action on the termination of employment, until the decision on appeal is
rendered. The Company shall promptly notify the other party in writing of any such appeal. The
decision on such appeal shall be rendered within ten calendar days of the date the appeal is taken,
and the employee and the organization shall be promptly advised thereof. If the decision on such
appeal is that the employee has not complied with the terms of this Appendix, his employment
and seniority in that craft or class shall be terminated within ten calendar days of the date of said
decision, unless the Company and the organization agree otherwise in writing. Such decision on
appeal shall be final and binding unless within seven days thereof the organization requests in
writing that the decision be reviewed in joint conference by the President of the Company or his
designee, and the Chief Executive Officer of the organization involved, or his designated
representative. If such request is made, the decision on appeal shall be reviewed in such joint
conference within seven days of the date such request is received, and any decision rendered
within such seven day period shall be final and, binding. If the decision on such review is that the
employee has not complied with the terms of this Appendix, his employment and seniority in
that craft or class shall be terminated within ten calendar days of the date of said decision, unless
the Company and the organization agree otherwise in writing.

(c) Time limits specified in this Section may be extended in individual cases by
written agreement of the Company and the organization.

(d) Provisions of discipline rules contained in the Agreement to which this Appendix
is attached will not apply to cases arising under this Appendix.

(e) The General Chairman of the organization shall notify the Company in writing of
the titles and addresses of its officers and representatives who are authorized to serve and receive
the notices described in this Section. The Company shall notify the General Chairman of the
organization of the titles and addresses of its officers or representatives who are authorized to receive such notices.

5. Notwithstanding anything in the Appendix, the Company shall not be required to terminate the employment of any employee until such time as the services of a qualified replacement are available. The determination of whether a qualified replacement is available shall be made jointly by the designated representative of the Company and the designated representative of the organization involved. The Company may not, however, retain any employee in service under the provisions of this Section for a period in excess of thirty calendar days from the date of the decision from the last appeal taken. Employees whose service is extended under the provisions of this Section shall not, during such extension, retain or acquire any seniority rights.

6. An employee whose employment and seniority in a craft or class is terminated pursuant to the provisions of this Appendix shall have no time or money claim by reason thereof.
APPENDIX B DUES DEDUCTION

1. It is agreed that the Company will, in accordance with and subject to the terms and conditions of this Addendum, deduct from the wages due to each employee represented by the Union from whom it receives a valid written wage assignment, described in Section 2., an amount each month during the continuance in effect of his assignment, which shall be equal to the aggregate of the amounts to be paid by such employee to the Union for periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such Union.

2. No such deductions as fixed by Section 1. shall be made from the wages of an employee until after execution by the employee and delivery by him to the Company of a written wage assignment in a manner and form similar to that provided in Attachment "As", which is made a part hereof. The wage assignment shall be revocable and the revocation shall be executed on a form similar to that appearing in Attachment "3", which is made a part thereof.

The assignment and revocation form are to be furnished by the Union without expense to the Company, in the form designated by the Company.

The Company shall have no responsibility or obligation whatsoever in connection with the procurement and the execution of such forms by employees and the Union shall arrange for the delivery of the executed forms to the Company. The necessary assignment and revocation forms shall be delivered, with the Master Deduction List hereinafter provided for, to the payroll—making office of the Company not later than the 16th day of the month in which the deduction, or termination of deduction, is to be made effective by the Company.

Where the employee submits a form similar to the Wage Assignment Revocation (Attachment "B" signifying his intent and desire to revoke the Wage Assignment Authorization previously submitted by him, to the payroll-making office of the Company not later than the 16th day of the month, the Company will accept it and arrange for the discontinuance of the deduction thereafter.

3. The General Chairman of the Union shall furnish to the payroll-making office the name and address of the Secretary—Treasurer authorized to sign the Master Deduction List, together with three (3) original signatures of the Secretary—Treasurer and advise promptly in the event of any change in the name or mailing address of the Secretary—Treasurer.

4. Deductions as provided for herein will be made by the Company in accordance with the Master Deduction List furnished to the Company by the Union. On the Secretary—Treasurer of the Union shall furnish a Master Deduction List for all members who have authorized such deductions, showing the amount of the regular monthly deduction for each member. The Master Deduction List shall be prepared in the form and shall contain the information specified in Attachment "C", which is made a part hereof. Only one copy is needed by the Company. The Master Deduction List should reach the payroll—making office no later than the 16th of the month following the effective date of this Agreement. The Secretary—Treasurer of the Union will maintain a copy of the Master Deduction List and keep it updated for all changes. Employees should be shown in alphabetical order with their identification numbers. The name and complete mailing address of the
Secretary—Treasurer to whom the remittance is to be mailed by the Company shall be shown on these lists.

5. The amounts contained in said Master Deduction List for individual employees shall, wherever possible, remain the same from one payroll period to the next. No deduction will be made for any employee for whom an entry on the Master Deduction List is incomplete, illegible or otherwise doubtful. Entries for individual employees may be considered incomplete unless the list contains the information required as specified in Attachment "C", which is made a part hereof.

It will only be necessary for the Secretary-Treasurer to furnish the payroll-making office each month information as to any change in the deductions from those shown on the Master Deduction List.

The reason for each change in deduction should be fully explained in the "Remarks" column, such as, New Authorization Form, Revocation, Omitted Deduction, Arrears, etc. in cases of Permanent Deduction, Special Assessments and Change in Permanent Deduction, the following abbreviations may be used: Perm. Ded., Spl. Ascc., Change Perm. Ded. This is essential so that change may be made where necessary in the deduction file information as taken from the Master Deduction List. The amount to be deducted as established in the deduction file information will not he changed until there is a permanent change in the amount to be deducted each month, in cases of omitted items or non-permanent increases in the amount to be deducted, only the amount in excess of the regular deduction should be reported. In this manner the excess deduction will be dropped from succeeding reports, and only the regular deductions will be continued.

This information should be furnished to the payroll-making office no later than the 16th of each month, beginning with the month of ____________. It should be reported on the same kind of form as used for the Master Deduction List", only one copy will be necessary.

6. Deductions will be made, to the extent of available earnings, each month beginning with coverage for ____________ according to information shown on these lists. The deductions will be made only from earnings due the employees for the first payroll period of each month, which is the first period of the month which contains only earnings for the current month.

The Carrier will remit by check to the Secretary-Treasurer of the Union the total amount of the deductions on or before the 25th day of the succeeding month.

A machine-produced list, in alphabetical order showing amount deducted for each employee each month, will be forwarded to the Secretary-Treasurer along with the remittance. A copy of the list will be forwarded to the General Chairman. The absence of any employees from these lists will indicate such employees were not working or did not have sufficient earnings from which to make the deductions. Regular deductions will be made in subsequent periods to the extent of available earnings as long as the employee's name remains on the Master Deduction List.
No deductions will be accumulated or carried over from month—to-month for any reason whatsoever. In the event of any error by the Company, it shall be authorized to adjust it, advising all concerned accordingly. In the event of any error by the Company in the amount of its remittance to the Union, if such error is not otherwise adjusted prior to the dispatch of the remittance the following month, the Company will be permitted to adjust the amount of succeeding remittance to correct the error.

7. The Company will not make a deduction from the wages of any employee who does not have due to him the first payroll period of the calendar month an amount equal to the sum to be deducted in accordance with this Agreement, after first deducting, as priority deductions, amounts due in the following categories:
   (a) Federal, State and Municipal taxes,
   (b) Amounts held by orders of court by garnishment and attachments,
   (c) Amounts due the Carrier,
   (d) Prior Valid Assignments and Deductions.

8. Responsibility of the Company under this Addendum shall be limited to remitting to the Union amounts actually deducted from wages of the employees pursuant to this Addendum and the Company shall not be responsible to any employee for making deductions specified on a deduction list or for failure to do so. Any question arising as to the correctness of the amount listed and deducted shall be handled between the employee involved and the Union, unless the Company, recognizing a mathematical mistake by it, elects to make direct adjustment pursuant to the fourth Paragraph of Section 6 above.

9. No part of this Addendum shall be used in any manner whatsoever, either directly or indirectly, as a basis for a grievance or time claim by or in behalf of any employee; likewise, no part of any other agreement between the Company and the Union shall be used as a basis for a grievance or time claim by or in behalf of any employee predicted upon compliance or failure to comply with the provisions of this Addendum.

10. The Union shall indemnify, defend and save harmless the Company from any and all claims, demands, liability, losses, or damage resulting from the making of this Addendum or from compliance or failure to comply with the provisions thereof.

11. In the event of any change in the representation of any craft or class of employees covered by the deduction lists submitted under this Addendum, this Addendum shall automatically terminate as to such employees from the date that the official notification is received from the National Mediation Board of such change. If the Union institutes any suit against the Company under this Addendum, said Addendum shall terminate immediately.
ATTACHMENT 1 TIME CLAIM FORM

Name: ___________________________  Employee ID: ___________________________

Occupation: ______________________  Headquarters: ___________________________

On Duty Time _____________________ -  Off Duty Time: _________________________

Date and time of day work performed: _________________________________________

Location and details of work performed for which claim/grievance is filed.
__________________________________________________________________________

Upon whose orders work was performed, if known.
__________________________________________________________________________

Description of instructions issued to have such work performed.
__________________________________________________________________________

Agreement Article on which claim/grievance is based and reason supporting claim/grievance.
__________________________________________________________________________

Response from Carrier (to be completed by General Manager or designee appointed to research time claim)

____ Approved  ____ Denied
Reason:
________________________________________________________________________
________________________________________________________________________

Carrier Representative: ___________________________  Date: ____________________