CRAFT SPECIFIC PROVISIONS

INTERNATIONAL ASSOCIATION OF

MACHINISTS AND AEROSPACE WORKERS

ARTICLE I

PROTECTION FOR REPAIRMAN

Switches of repair tracks will be kept locked with special locks, and men working on such tracks shall be notified before any switching is done. A competent person will be regularly assigned to perform this duty, among other assigned duties, and held responsible for seeing it is performed properly.

ARTICLE II

BULLETINING VACANCIES AND NEW POSITIONS

A. A vacancy of thirty (30) calendar days or less duration in an established position (as a result of sickness, injuries, transfers and leaves of absence) or a new position of thirty (30) calendar days or less duration or the position of a vacationing employee may be filled without bulletining, by transferring the senior qualified employee assigned to the facility where such vacancy or position develops requesting such vacancy or position. In the absence of any such request, or furloughed employees assigned thereto, the junior employee in the facility may be assigned. A temporary vacancy of more than thirty (30) calendar days, other than vacation, shall be bulletined as a temporary vacancy including vacancies of employees filling temporary vacancies. Such bulletins will indicate the reason for the vacancy and identify the permanent incumbent.

1) If it is necessary to call furloughed employees other than those making request for such temporary vacancies, it is understood that inability to accept the proffered employment shall not constitute a forfeiture of seniority rights. However, in the restoration of forces, or increase in forces it shall not be construed as a "temporary vacancy" irrespective of the length of time additional forces may be required.
2) When the regular incumbent returns, he will have the option of exercising seniority on any position bulletined during his absence or returning to the position he occupied prior to his absence. However, if he was displaced by a senior employee under the provisions of Article J during his absence, he will not be permitted to return to his former position but may displace a junior employee upon his return.

3) The employee filling a temporary vacancy when displaced by the regular incumbent of the position which was vacant must return to the position he was holding when he bid on the temporary vacancy. He cannot displace any other employee unless a vacancy has occurred on which he could have exercised seniority if he had remained on the position to which assigned and had not taken the temporary vacancy.

4) If the employee who caused a temporary vacancy does not return to work for the Company, this position will then be bulletined as a permanent vacancy in accordance with the provisions of Paragraph (b) of this rule.

B. A vacancy of more than thirty (30) calendar days duration in an established position or a new position of more than thirty (30) calendar days duration will be promptly bulletined. Such bulletin will be of the form showing title of position, headquarters, rate of pay, hours of service and rest days. New positions or vacancies which are known of in advance may be placed on bulletin up to a maximum of thirty (30) days in advance of the effective date.

C. Bulletins issued pursuant to Paragraph (b) will be posted for a period of ten (10) calendar days and employees desiring such vacancies or positions will file their written applications with the Officer whose name appears on the bulletin during the bulletin period, with copy to the Local Chairman.

D. Positions or vacancies so bulletined pursuant to Paragraph (b) will be awarded to the senior applicant within ten (10) calendar days after the bulletin period expires. A standard bulletin will be posted immediately announcing the name of the successful applicant for a bulletined position or vacancy, with copy to Local Chairman.

E. In the event there are no applicants for a position or vacancy bulletined pursuant to Paragraph (b), such position or vacancy to be filled will then be filled by using senior furloughed employee.
F. Successful applicant will be placed on the new assignment within ten (10) days from the date of the award, if possible to do so. If not placed on the new assignment within ten (10) calendar days from the date of the award, the successful applicant will be entitled to the rate of the position worked or the rate of the new assignment, whichever is the greater, plus $10.00 for each day worked.

G. When an employee is awarded a bulletined position, they will not be permitted to return to the position which they vacated, except upon a subsequent vacancy, or unless there are no other applicants for the position.

H. Employees will be given cooperation by the Company in qualifying for positions secured in the exercise of seniority. When new jobs are created or permanent vacancies occur in the respective crafts, the senior employee applying shall be given preference in filling such new jobs and permanent vacancies. In event such employee is not disqualified within thirty (30) working days because of incompetency, he shall be considered qualified for such position.

I. It is understood that rearrangement of forces within a location, which does not involve an increase or decrease in force will be confined to that location and will be subject to bulletin at that location only, nor will it give any employee at that location the right to exercise displacement outside his own work location facility. Copy of all bulletins and awards will be given to Local Chairman.

NOTE: When a vacancy exists on a Mechanical Foreman’s position the company may select a qualified employee from the ranks of the shop craft employees to assume the Foreman’s responsibilities. In lieu of the application of Article S of the Quality of Work Life Agreement, the individual selected shall be paid as follows:

1) If the Foreman’s vacancy is on the selected employee’s regular shift, the employee shall receive ten (10) hours pay at the straight-time Class B rate of pay; or

2) If the Foreman’s vacancy is not on the selected employee’s regular shift, the employee shall receive twelve (12) hours pay at the straight-time Class B rate of pay.
ARTICLE III

DISTRIBUTION OF OVERTIME

A. When it becomes necessary for employees to work overtime, such overtime will be worked and employees shall not be laid off during regular working hours to equalize the time.

B. Overtime will be distributed to employees on each shift by establishment of an overtime call list on each shift, and employees thereon will be used for overtime work in such rotation as to equally distribute it among them. A record of overtime will be kept and made available to the Shop Committee.

C. When the same number of employees are worked on holidays as are assigned to work that same day of each week, the regularly assigned employees will be given preference in working the holiday. In all cases of reduced holiday forces, employees will be called on the basis of being first out on the overtime list of the shift involved.

D. Employees for overtime service will be obtained first by calling the employees on the overtime call list who are on rest days of the shift involved. Additional employees, if needed, will be called first from the overtime list of the preceding shift; and if still more employees are needed, they will be called from the overtime list of the following shift.

E. If an employee is held over beyond the close of his regular shift to complete the unfinished job at hand and he is worked three hours or more, the first man out for overtime on the shift on which the overtime occurs will be paid a like amount of time at the penalty rate beginning at the time the overtime first starts. The provisions of this paragraph shall not be used consistently to defeat the intent of equitable distribution of overtime.

ARTICLE IV

QUALIFICATIONS

Any man who has served an apprenticeship or has had four (4) years experience at the machinists trade and who, by his skill and experience, is qualified and capable of laying out and fitting together the metal parts of any machine or locomotive, with or without drawings, shall constitute a machinist.
ARTICLE V

MACHINISTS’ CLASSIFICATION OF WORK

Machinists’ work shall consist of:

A. Operating machinery, equipment and tools used in turning, boring, drilling (including plain, ratchet, radial and other skilled drilling), reaming, tapping, polishing, milling, slotting, grinding and layout of all metal or other materials, including synthetics, or mechanical equipment or components thereof; fitting, inspecting, adjusting, repairing, building, assembling, aligning, dismantling and maintaining including removing, repairing and applying mechanical equipment or mechanical components of:

1) Steam, electric, diesel-electric, gas and diesel hydraulic locomotives; self-propelled wrecker cranes;

2) Roadway machinery and equipment used in the Maintenance of Way Department including removing, repairing, fabricating and applying all components, except when components are made at or sent to other shops;

3) Generator plants and power houses, shop cranes, internal combustion engines, external combustion engines, air compressors, turbines, mechanical drive mechanisms, blowers, super chargers, turbo-chargers, steam generators, traction motors, pumps, jacks, hoists, elevators, cranes, car retarder mechanisms when sent to mechanical shops, locomotive air brake systems, and hydraulic brake systems, fuel injector systems, lubricator systems, automatic train control systems on locomotives, air motors, steam engines, rubber-tired platform equipment, pneumatic tools, mechanical tools, hydraulic tools, electrically operated tools, internal drive systems, turbines used to drive electric generating units or to provide power or propulsion for any purpose; refrigeration compressors, air conditioning compressors and blowers, turntables, transfer tables drop tables and other machinery;

4) Equipment, components and appurtenances such as, but not limited to, pinions, belt sheaves, mechanical couplings, shafting, governors, speed indicator and recorders, fuel pumps and motors, bells, horns, fans, fan drives, windshield wipers and motors, traction motors, main generators, auxiliary generators, axle-driven alternators and generators, locomotive draft gears and couplers.
B. Tool and die making, machine and tool grinding, jib making and metal pattern making for castings.

C. Machining by any process, pressing and repairing wheels, axles and bearings; removing and applying wheel sets from locomotives and from power trucks on self-propelled equipment.

D. Applying and removing locomotive equipment, components and appurtenances such as main generators, alternators, starter motors, auxiliary generators, traction motors, journal boxes, roller bearing adapter boxes, end caps and adapters for axle driven equipment, blower motors, shop electric motors on shop machinery, cooling fan motors, grab irons, railing, pilot beams, guards, exhaust systems and manifolds.

**NOTE:** In the event the Company begins performing heavy repair work on locomotives (i.e., engine changes or AR-10/m/gen changes and alignment), machinists who perform such work shall be paid the Pay Class A rate of pay.

E. Fastening metals together by any method such as, but not limited to, welding, fusing, brazing, metalizing, banding and cutting of metals with such processes as oxy-acetylene, electric, thermite, heli-arc, tig, or any other process, on work that is Machinists' work.

**NOTE:** Machinists assigned to weld more than four (4) hours in a shift shall be entitled to an additional twenty-five cents ($0.25) per hour for their entire shift. In the event the Company establishes and advertises particular machinist’s positions as “welder” positions, such positions shall receive this additional twenty-five cents ($0.25) per hour for their entire shift.

F. Machine mechanics will perform repairs to roadway equipment when such repairs are performed along the line of road.

G. Repairing and maintaining automotive equipment when sent to shops and roundhouses where Machinists are employed.

H. Repairing hydraulic locks and door checks when removed from cars and sent to shops.

I. Machinists' work on self-propelled cars, univans, cabooses, passenger cars, business cars and outfit cars when in shops.
J. Operating all tools and machines used in Magna Fluxing, bearing inspecting, sand blasting, governor testing and load testing in the performance of Machinists' work.

K. Machinists' work on rail plant, tie plant and reclamation shop equipment.

L. All other work generally recognized as Machinists' work.

M. Nothing herein shall in any way modify, amend or restrict provisions of Exhibits A and B of the Labor Agreement.

**NOTE:** Machinist positions responsible for preparing and filing FRA Inspection Reports shall be entitled to an additional $.50 per hour.

**ARTICLE VI**

**SENIORITY RETENTION**

A. All employees promoted subsequent to the effective date hereof, to official, supervisory, or excepted positions from crafts or classes represented by IAM shall be required to maintain their IAM membership or pay an appropriate monthly fee, equivalent to monthly union dues, in order to retain and continue to accumulate seniority. A supervisor whose payments are delinquent shall be given a written notice by the appropriate General Chairman of the amount owed and ninety (90) days from the date of such notice to cure the delinquency in order to avoid seniority forfeiture.

B. Employees promoted prior to the effective date hereof, to official, supervisory, or excepted positions from crafts or classes represented by IAM shall retain their current seniority but shall be required to pay regular monthly dues or an appropriate monthly fee, equivalent to monthly union dues, in order to accumulate additional seniority.

**ARTICLE VII**

**WORK AT WRECKS**

In cases of wrecks where engines are disabled, Machinist(s), if necessary, shall accompany the wrecker. They will work under the direction of the wrecking foreman.
ARTICLE VIII

APPRENTICES

A. Selection - Management shall select candidates for apprenticeship solely on the basis of the applicants' qualifications.

B. Training Period - Apprentices shall serve six (6) training periods totaling 732 days. These training periods contemplate days of actual work on regular working days. However, flex days with pay shall be credited toward the required days of training period in the same manner as days of work. Overtime worked by apprentices shall not be counted.

C. Probationary Period - All apprentices shall be subject to a probationary period of 122 workdays, during which they may be dropped at any time they are determined by the Company to show insufficient aptitude or interest to learn the trade. An apprentice may be dismissed or dropped from the apprentice program, subsequent to the probationary period, only in accordance with the procedures of Article 13 of the Labor Agreement.

D. Hours of Work - Apprentices may be assigned to the same hours, starting time, and work weeks to which mechanics are assigned at the facility in question, except apprentices during the first two (2) periods of their apprenticeship shall only be assigned to the first shift and the ratio of not more than one apprentice to three mechanics shall be applied on each shift unless otherwise agreed to by the local committee in individual cases. However, apprentices shall not be placed on the overtime call list; and they will be used for overtime work only when all available mechanics on the overtime call list have been called.

E. On-The-Job Instruction - Apprentices shall work under the direction of a journeyman of the craft. Two apprentices shall not be directed to work together as partners.

F. Technical Instruction - Each apprentice, including those upgraded, will receive and complete a course of instruction on the technical subjects related to his trade, the cost of which shall be paid by the Company. This related instruction may include classroom instruction provided on the Company property, classroom work at outside vocational or trade schools, or correspondence courses or a combination of both. The total amount of related instruction will be at least 144 hours per year. The Company will pay for the cost on any drawing instruments and supplies which will become the property of the apprentice upon satisfactory completion of technical training. If the training is terminated for any reason prior to completion, the drawing...
instruments and unused supplies shall be returned to the Company in good condition or the cost may be deducted from the employee's wages due. When the Company determines that an apprentice has not maintained satisfactory progress on related technical training, he may be dropped from the apprenticeship program, which shall be handled in accordance with Article 13 of the Labor Agreement after the probationary period specified in Paragraph (c) above. Progress in connection with correspondence lessons and/or classroom attendance will not be considered satisfactory if the apprentice becomes delinquent in completing his lessons or fails to attend more than one classroom assignment or if the apprentice becomes more than two months behind in reworking lessons graded at less than 75 percent; but illness or other causes beyond the control of the apprentice will be taken into consideration. An apprentice dismissed from service solely because of unsatisfactory correspondence course progress will be reinstated if he submits all lessons in arrears in satisfactory condition to the apprentice supervisor within ten (10) calendar days after his dismissal.

G. Transfers - Apprentices who are not working in an upgraded mechanic status may be required to transfer to any other facilities and locations away from their home point for the purpose of improving their training. When such transfer is to a facility more than thirty miles from the apprentice's present facility, fifteen (15) calendar day's advance notice will be given, and the following special rules will apply (this does not include permanent transfers allowed at the request of the apprentice and not required by management);

1) Transportation for the initial trip to the away-from-home point and for the final return trip for the transfer back to home point will be furnished by the Carrier or at the Carrier's option, the Carrier's authorized rate per mile will be paid for the round trip. In addition, for that round trip, the apprentice shall be allowed the straight time hourly rate of pay while traveling during the regular working hours of his work week, but time traveling outside his regular working hours and on rest days shall not be paid for.

2) At the time notice of transfer is given, the apprentice will also be advised as to whether he will be paid meal and lodging expense allowance under Article E or whether he will be reimbursed for the actual necessary expenses of moving his household goods and the actual necessary traveling expenses of himself and the members of his family in making the transfer. If the transfer of the apprentice is for the purpose of attending a technical or manufacturer's school, he shall be paid the hourly rate of his position, for eight hours per work day, five work days per week, during such periods of assignment, and the Article E expenses.
H. Apprentice Seniority - Apprentices who hold seniority in other classes under agreements with any of the parties hereto, will retain and accumulate that seniority during their training period; but all such seniority shall automatically terminate upon acquisition of a mechanic's seniority date. Apprentices will hold seniority as such, separated by crafts, as of the first day worked as apprentice. This seniority will be utilized only for the purpose of flex day selection, reductions in force and for choice of working hours and rest days, when more than one apprentice is in training at the same point and a seniority preference can be honored without interfering with training in the various aspects of work.

I. Administration - The Company shall designate some particular person to supervise the apprenticeship program and the training program as outlined. Adequate records will be maintained as to the work experience, related instruction and progress of each apprentice and will be made available for inspection to the general chairman of the crafts involved. These records for any apprentice may be destroyed 60 days after his certificate of completion has been issued. In the event an apprentice is not making satisfactory progress, the Carrier's representative referred to here and the general chairman of the craft involved, shall attempt to ascertain the cause and correct any deficiencies.

J. Training Schedule - Apprentices will receive training and on-the-job experience in the aspects of their trade sufficient to enable them to perform their duties in an efficient and workmanlike manner, in accordance with a detailed program to be prepared and furnished to the general chairman from time to time by the apprentice supervisor, and the response of the general chairman will be given consideration with the view of upgrading the training programs. Insofar as practicable, on-the-job training and technical training will be on the same subject at the same time. It is recognized that because the facilities and work vary from point to point the training schedules will vary accordingly in order to properly train the apprentices for the work he is most likely to be required to perform as a mechanic. These training schedules are not intended to change classification of work rules or jurisdictional practices.

K. Completion of Apprenticeship - Upon completion of the apprenticeship training program under this agreement, the apprentice will be placed on the journeymen mechanics' roster of his craft. His seniority date shall be arrived at by counting back from the date he completed the apprenticeship program 732 working days. In counting back the 732 working days, all the normal working days (5 days per week) at the shop in question, which were available to be worked (whether he worked or not), plus flex days with pay, shall be counted. However, employees who entered military service or lost time due to National Guard or military reserve training or duty after having started an apprenticeship, shall omit time lost due to such military service in accordance with legal requirements of applicable veterans' reinstatement.
legislation. Time lost due to on-the-job injuries shall also be omitted. This paragraph is applicable to any apprentice who started his training before the date of this agreement, but the application of the paragraph shall not result in any such apprentice acquiring a journeyman’s seniority date prior to the effective date of this agreement.

L. Experience Credit - Any apprentice with previous experience or experience obtained while furloughed or formal training at no expense to the Carrier prior to apprenticeship or while furloughed, applicable to his craft, may, within ninety (90) days of the beginning of his apprenticeship or recall to service, as the case may be, by written request submitted to the apprentice supervisor, have such experience or training evaluated by the apprentice supervisor and the General Chairman involved. Only one (1) such request shall be considered for prior mechanical experience or formal training prior to apprenticeship, and only one (1) such request shall be considered for experience or formal training obtained while furloughed, upon being recalled to work. The apprentice supervisor shall, after joint evaluation, advise the apprentice within ninety (90) days of the date of the apprentice’s request, of any advanced credit he will be granted. If, after joint evaluation, the apprentice supervisor and the General Chairman are unable to agree on granting of advanced credit, and the General Chairman confirms his position in writing, the apprentice will be advised that no advanced credit will be granted. Should the General Chairman fail to participate in the evaluation, or fail to submit his decision thereon to the apprentice supervisor within sixty (60) days, the apprentice supervisor shall make the determination which shall be final.

M. Ratio - The ratio of apprentices in each craft shall not be more than one (1) to three (3) mechanics, and shall be applied as nearly as possible at each point and during force reductions. When the needs of the service require more apprentices, the matter shall be submitted to the general chairman of the craft involved.

N. Safety - All apprentices shall receive instruction on safety practices throughout the term of apprenticeship.
O. Certificate - The following certificate shall be furnished to all apprentices upon completion of apprenticeship.

Certificate of Apprenticeship

This will certify that on __________________, 19________,

completed the course of apprentice prescribed for

and is entitled to the rate of pay and conditions of service of a mechanic in that craft.

Chief Mechanical Officer

P. Rate of Pay - The following rates of pay, subject to future general wage increases (including COLA), will prevail for all apprentices:

1) Regular Apprentice

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 122-day period</td>
<td>$16.97</td>
</tr>
<tr>
<td>Second 122-day period</td>
<td>$17.72</td>
</tr>
<tr>
<td>Third 122-day period</td>
<td>$18.43</td>
</tr>
<tr>
<td>Fourth 122-day period</td>
<td>$19.13</td>
</tr>
<tr>
<td>Fifth 122-day period</td>
<td>$19.83</td>
</tr>
<tr>
<td>Sixth 122-day period</td>
<td>$20.58</td>
</tr>
</tbody>
</table>

These rates of pay are not subject to the provisions of Article 11 of the Labor Agreement.

Q. This Memorandum of Agreement will be effective August 1, 1991, as amended on November 1, 2012.
ARTICLE IX

UPGRADING

A. The upgrading or advancement of apprentices to positions of mechanics in their respective crafts as hereinafter provided may be made only when all mechanics in such craft at the point involved are assigned to work not less than forty (40) hours per week and there are no additional qualified mechanics available with which to increase the force.

B. The upgrading or advancement of apprentices to service as mechanics will be made with written approval of General Chairman.

C. Apprentices upgraded or advanced under this agreement shall continue to accumulate seniority as apprentices and all time worked as a mechanic will be credited to their apprenticeship time. Upon completion of the apprenticeship time specified in the apprenticeship agreement then in existence, the apprentices advanced in accordance with this agreement will be placed and included on the seniority roster for mechanics in their respective classification.

D. A seniority roster will be established and maintained for apprentices advanced to service as mechanics denoting the date of initial advancement. This roster shall be used for the downgrading and upgrading of these employees, the assignment of flex time, force reductions, bidding for positions, and for any seniority moves involving service in an advanced capacity. Copy of such roster will be furnished to the Local Chairman.

E. If qualified mechanics desiring employment become available at locations where apprentices are advanced, such qualified mechanics will be employed in preference to advanced apprentices, subject to the provisions of employment and probationary rules.

F. Apprentices advanced under this agreement shall not be advanced for periods of less than thirty (30) days at a time.

G. Apprentices returning from military service will be permitted to displace junior employees as per the advancement procedures outlines in Paragraph (b).

H. Apprentices transferred from one point to another for additional training will be permitted to displace junior employees as per the advancement procedures outlined in Paragraph (b) of this Article.
I. In the event a controversy arises with respect to the apprentices outlined in Paragraphs (g) and (h), apprentices returning from military service at the home point involved will hold preference over apprentices transferred from another point.

ARTICLE X

This Memorandum of Agreement shall be effective November 1, 2012, 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.

The parties signatory hereto shall not serve nor progress prior to April 1, 2016 (not to become effective before January 1, 2017) any notice or proposal for the purpose of changing any provision contained herein, or which deals with matters presented by the parties during negotiations, and any proposals in pending notices relating to such subject matters are hereby withdrawn.

This Section will not bar the Company and the Union from agreeing upon any subject of mutual interest.

Signed this 1st day of November 2012.

/s/ Lee Carter          /s/ Michael R. Lemm
Lee Carter
General Chairman
International Association of Machinists
And Aerospace Workers

Michael R. Lemm
Vice President Operations
Montana Rail Link