APPENDIX Q

Federated Shop Crafts
System Federation No. 66

St. Paul, Minnesota
June 20, 1949

Mr. A. G. Greenseth, G.M.S.
Minneapolis 2, Minnesota.

Subject: Handling Jurisdiction Disputes, Federated
Shop Crafts, Minneapolis, St. Paul &

Dear Sir:

We are referring to letter dated February 14, 1940 which was addressed to Mr.
E. H. Buhlman, Personnel Officer, Soo Line Railroad, and was signed by the authorized
representatives of all of the Shop Craft Organizations, except the Electricians Craft. In
the letter of February 14, 1940, we state the following:

"Effective from this date, we, the undersigned, agree that no general
chairman, or other officer, representative or member of any of the
organizations signatory hereto, will individually request management to
take work from one craft and give it to another craft.

We further agree that we will find a way to reach an agreement and settle
any disputes that may arise between any two crafts signatory hereto,
involving jurisdiction of work, and when such dispute has thus been
settled, then request will be presented to management for conference to
negotiate the acceptance by management of the settlement thus made.

We further agree to, and recognize that each craft shall perform the work
which was generally recognized as work belonging to that craft prior to the
introduction of any new processes, and that the introduction of a new
process does not give any craft the right to claim the exclusive use of a
process, or a tool in order to secure for itself work which it did not formerly
perform.

In the event of any disagreement between two or more crafts as to proper
application of the above rule, then the craft performing the work at the time
of the change of the process or tool shall continue to do the work unit the
organizations involved have settled the dispute and the System

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Federation signatory hereto has presented such settlement to management, requested a conference and negotiated an agreement for acceptance of such settlement by management."

Notwithstanding the contents of the last paragraph quoted above, there has been some disagreement with regard to the handling of questions involving jurisdiction over the performance of work since our letters of February 14, 1940, addressed to management. As a result our International Organizations and our System Federation have given this matter further consideration.

Therefore, we desire to advise you that we are reaffirming the position taken in our letter of February 14, 1940, to the effect that no General Chairman or other officers, representative or member of any of the organizations signatory to that letter and to this letter will individually request management to take work from one craft and give it to another craft.

We have further taken action that any violation of this pledge by any individual herein referred to will be corrected by the representatives of the System Federation requesting management to immediately return the work to the craft from which the work was taken.

We further request that the management be urged to instruct all its officers and representatives to likewise refrain from transferring work when requested by any individual representative of a craft or to arbitrarily transfer work.

We have an agreement between the various Shop Craft Organizations dated February 15, 1940 which we agree is the only means by which jurisdictional disputes between two or more crafts shall be handled and, when agreement is reached, same will be presented to management for its consideration.

We desire to advise you that, while the electricians' craft was not a party to the letter dated February 14, 1940, that on April 24, 1945, the electricians' craft became a party to the agreement between the various organizations and to the method of handling these questions with Railroad Management, and they are now to be considered as a part of the original notice served as affecting them from, on and after said date.

We would appreciate it very greatly if you would comply with our request that the Local Railroad Officials be notified, and also that we be furnished a copy of the Notice that goes to them.

We remain,

Very truly yours,

R. A. HENNING, Chairman
General Chairman, District No. 32
International Association of Machinists
L. J. DEMPSEY
General Chairman, District No. 34
International Brotherhood of Boilermakers,
Iron Ship Builders and Helpers of America

LOUIS G. LEE
Acting General Chairman, District No. 2
International Brotherhood of Blacksmiths,
Drop Forgers and Helpers

JOHN H. EATON
General Chairman, Sheet Metal Workers'
International Association

D. CADDEN
General Chairman, International
Brotherhood of Electrical Workers

WALTER R. FEIGAL
General Chairman, Joint Protective Board,
Brotherhood Railway Carmen of America

THEO. POWELL
General Chairman, System Council No. 1
International Brotherhood of Firemen, Oilers,
Helpers, Roundhouse and Railway Shop Laborers

Executive Board -- Minneapolis, St. Paul & Sault Ste. Marie
Railroad Company -- System Federation No. 66.

cc: E. H. Buhlman
    L. J. Dempsey
    Louis G. Lee
    John H. Eaton
    Dave Cadden
    Walter R. Feigal
    Theo. Powell
APPENDIX R

January 12, 1989

MEMORANDUM OF AGREEMENT
BETWEEN THE
INTERNATIONAL ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS
AND THE
SOO LINE RAILROAD COMPANY

It is agreed that in conjunction with Machinists Special Rules, the classification of Traveling Mechanic is hereby established for the purpose of performing necessary mechanical work on roadway equipment, on line of road, throughout the entire Soo Line System. This does not include routine daily servicing by the operators of such machines. This agreement does not apply to employees governed by provisions of existing agreements between the Company and other labor organizations. Where Traveling Mechanics are employed and represented by the International Association of Machinists & Aerospace Workers, they will be governed by the following:

HOURS OF SERVICE:

The normal work week of assigned Traveling Mechanics shall begin with the first day of assignment and shall consist of five (5) consecutive work days in each seven (7) day period. Starting time shall not be earlier than 5:00 a.m., nor later than 8:00 a.m., except in emergencies. Where two or more shifts are worked the starting time will be arranged to meet the needs of the operation.

Traveling Mechanics will be paid a monthly rate of $3,040 per month.

Future general wage increases, including COLA, will be applied to the monthly rate.
The work week and hours of Traveling Mechanics may consist of four ten-hour work days or five eight-hour work days in each seven day period. Starting time shall not be earlier than 5:00 a.m., nor later than 8:00 a.m., unless otherwise agreed. Where two or more shifts are worked, the starting time will be arranged to meet the needs of the operation. In the event the hours of the crew are changed, the hours of the Traveling Mechanics may also be changed with a minimum of seventy-two hours notice, except in case of emergency.

NOTE 1: If four ten-hour days are worked, and a holiday falls within a work week, the holiday will be observed on either the first or last day of the work week. The employees will be compensated for eight hours holiday pay and the other two hours will be made up during the rest of the work week.

NOTE 2: An employee regularly assigned to four ten-hours days will be credited for vacation purposes with 1.25 days for each day on which service is performed on such position. Employees who take vacation when assigned to four ten-hour days will be charged with 1.25 days of vacation for each day of vacation taken.

NOTE 3: If four ten-hour days are worked, time worked after twelve hours per day and any time worked on rest day, holiday or vacation will be paid at the established overtime rate for such work on a minute basis.

EXCESSIVE TIME:

Time worked over ten (10) hours per day, and any time worked on rest days, holidays and vacations will be paid at the established overtime rate for such work on a minute basis.
The overtime rate is time and one-half the straight time rate. The straight time rate is determined by dividing the monthly rate by 215 and rounding off to the fourth digit.

If it is found that this agreement does not produce adequate compensation for certain of these positions by reason of the occupant thereof being required to work excessive hours, the compensation of these positions may be taken up for adjustment.

**BULLETINING OF POSITIONS:**

The Company has the right to establish Traveling Mechanic positions assigned to a territory, or district with an assigned headquarter point and/or Traveling Mechanic positions assigned to work with a gang or crew with an assigned headquarter point as dictated by the needs of the operation.

The Company will establish Traveling Mechanic positions with an assigned territory or district and an assigned headquarter point within that territory or positions to work with gangs or crews as bulletined and as necessary.

It is understood that the assignment of Traveling Mechanics in this manner is based on current needs of the operation and is not intended to restrict the Carrier's rights or amend the collective bargaining agreement in this regard.

Newly created positions and all vacancies known to be of thirty (30) days' duration, or more, will be bulletined for ten (10) calendar days in places accessible to Traveling Mechanics with a copy of bulletin to their last known address. Bulletins will show title of position, principal duties, rate of pay, rest days, probable duration and headquarters point if other than employees home point. It is understood, however, that changes in assigned hours and work week may occur to accommodate operational needs with prior notice provided the General Chairman.
Absence of Traveling Mechanics on vacation will not constitute a "vacancy".

Applications for positions bulletined must be made in writing to the Carrier officer issuing the bulletin and received within ten (10) days from the date of the bulletin.

Temporary vacancies of less than thirty (30) days' duration need not be bulletined. A senior qualified Traveling Mechanic may be given preference in filling temporary vacancies in preference to a furloughed Traveling Mechanic, seniority to govern.

Appointments shall be made by the Officer issuing the bulletin.

Copies of all bulletins and assignments will be furnished to Local Chairmen.

An employee returning after a leave of absence, vacation or sickness, may return to former position providing it has not been abolished or senior employee has not exercised displacement rights thereon, or may upon return or within five (5) calendar days thereafter, exercise seniority rights on any position bulletined during such absence. In the event employee's former position has been abolished or senior employee has exercised displacement rights thereof, the returning employee will be governed by Schedule rules and will have the privilege of exercising seniority rights over junior employees, if such rights are asserted within ten (10) calendar days after his return. Employees displaced by his return will be affected in the same manner.

**CLASSIFICATION & SENIORITY:**

Traveling Mechanics, when so employed, will carry seniority as such on a separate roster but all the while employed will continue to retain and accumulate seniority on seniority roster from which promoted.
In lieu of point seniority, the seniority of such employees extends over the entire Soo Line system. All employees holding seniority as Traveling Mechanics shall be shown on a single seniority roster.

A complete seniority roster of Traveling Mechanics, showing name, classification and seniority date, will be made available. A copy of the roster will be furnished the International Association of Machinists & Aerospace Workers. Seniority rosters will be prepared as of the effective date of this Agreement and each subsequent January 1, and will be open to protest for a period of sixty (60) days from the date of posting.

Seniority of Traveling Mechanics shall be the date assigned to a position to perform such work after journeyman Machinist status is acquired in accordance with either Rule 44 or Rule 49 of the collective bargaining agreement.

Traveling Mechanics who have established seniority as a machinist and who, as a result of abolishment of Traveling Mechanics' position, are unable to hold positions of Traveling Mechanic and thereby revert to the Machinist craft from which promoted, are in possession of displacement rights in accordance with their seniority at their home point.

Traveling Mechanics returning voluntarily to the Machinist craft, either as the result of giving up their Traveling Mechanics' position or as a result of position being abolished, and not exercising seniority to another Traveling Mechanics' position, will be permitted to take any open Machinist position and will forfeit seniority as a Traveling Mechanic. A Traveling Mechanic who voluntarily relinquishes a position or who fails to exercise seniority to an available position which does not require a change of residence will forfeit seniority in the classification.
PROMOTIONS:

Assignments shall be made on the basis of skill and ability, these being equal, seniority will govern.

Traveling Mechanics, after such assignment, may be disqualified within a thirty (30) day period of time, and will be in full possession of their seniority rights if same is applicable.

REDUCTION & RESTORATION OF FORCES:

In force reductions, Traveling Mechanics will be furloughed in reverse order of seniority. In restoration of forces furloughed Traveling Mechanics will be recalled in seniority order.

1. Five (5) workdays' notice will be given employees affected before the abolishment of a position or a reduction in force is made, except as provided in paragraphs 7 and 8.

2. Force reduction notices in triplicate will be furnished the employee affected which will provide a space for the furloughed employee to show his current address which will be filled out and returned to the Carrier Officer issuing the abolishment notice.

3. Employees laid off in reduction of force, changing their address, should file their name and correct address with the Personnel Department.

4. Employees failing to return to the service within ten (10) days after date of notice, unless an extension has been granted, will forfeit all seniority.

5. In the reduction and restoration of forces, the General Chairman will be furnished a list of employees to be affected.
6. The exercising of seniority to displace junior employees, which practice is usually termed "rolling" or "bumping", will be permitted only when existing assignments are cancelled, in which case the employees affected may, within five (5) days, displace any employee their junior whose position they are qualified to fill.

7. Advance notice is not required before positions are temporarily abolished or forces temporarily reduced where a suspension of an individual Carrier's operation in whole or in part is due to a labor dispute between the Carrier and any of its employees.

8. Advance notice is not required before temporarily abolishing positions or making temporary force reduction under emergency conditions, such as flood, snowstorm, hurricane, tornado, earthquake, fire, or labor dispute other than as covered by paragraph 7, provided such conditions result in suspension of the Carrier'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 rates for his position.

EXPENSES:

Traveling Mechanics required by Carrier to perform service which necessitates the purchase of meals and lodging away from their headquarters will be reimbursed for actual reasonable expenses.
Traveling Mechanics who have established seniority as of September 24, 1997

1. who are required to be away from home and, therefore, incur expenses when at the assigned headquarters point, will be reimbursed for such actual reasonable expenses; and

2. who change their headquarters point and, therefore, move their place of residence, shall be afforded a one-time lump sum relocation allowance of $5,000.00.

Traveling Mechanics will be furnished with free transportation. When transportation is not furnished, they will be reimbursed for the cost of public transportation, as directed by the Carrier, or at a rate established by the Company for all employees if they use their personal automobile. When travel is necessary outside of regularly assigned hours and is authorized by the Carrier, Mechanic will be compensated for actual time spent traveling at the straight time rate of pay.

When, in the judgment of the Carrier conditions will allow, employees regularly assigned to Traveling Mechanic’s positions will be permitted to make weekend trips to their home station without loss of time, provided they will be back on their assignment ready to start their day’s work at regular starting time. Free transportation will be provided but no personal expenses will be paid at home station.

This Memorandum of Agreement is effective (dated March 1, 1989, and becomes a part of the current Machinist’s Schedule Agreement. The general rules of the Schedule Agreement are applicable to Traveling Mechanics, except as otherwise provided for in this Agreement.
For the

INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS

/s/ D. R. Babcock
D. R. Babcock
General Chairman - IAM&AW

APPROVED:

/s/ E. B. Kostakis
E. B. Kostakis - President &
Directing General Chairman

Dated: February 22, 1989

For the

SOO LINE RAILROAD COMPANY

/s/ C. S. Frankenberg
C. S. Frankenberg
V. P. - Labor Relations
APPENDIX S

Gainsharing

IAM and CPR hereby commit to design and implement an incentive performance based compensation program, Gainsharing. The fundamental premise of this program is that productivity in the workplace is enhanced by employees who are informed and knowledgeable about the business and understand the impact they can have on productivity and the achievement of defined, measurable improvements or goals.

This is an opportunity for employees to share in CPR's success by achieving jointly developed business targets and goals. The following guidelines will frame the program:

1. IAM representatives and CPR management will jointly develop annual gainsharing goals, with gains measured from agreed upon baselines or the attainment of specific targets which the parties establish at the beginning of each calendar year; if possible, the first program will be for the last six months of calendar year 2005.

2. Goals and targets are to be aligned with CPR's corporate and departmental business plans and objectives – both annual and 4 year plan – People, Safety, Service, Productivity, and Financial. Agreed upon goals and targets may be systemwide, location specific or a combination thereof.

3. Measurable savings generated by achieving the established goals or targets will be shared with employees on a 70/30 (CPR/employee) basis with annual payouts capped at 4% of each employees previous years compensation for service rendered.

4. Employees will be eligible for a payout for that year if they have performed sufficient service to earn a vacation the following year.

5. IAM and CPR will jointly communicate to employees the agreed upon goals and targets at the beginning of each plan year. Employees will receive ongoing feedback as to results and will be informed and educated as to what they need to do to achieve identified goals or targets.

6. Gainsharing payouts will be made by the end of the first quarter of the following year.

7. A mechanism will be established whereby employees may suggest ideas for gainsharing goals and/or targets

8. Except for calendar year 2005, it is agreed that this performance based compensation arrangement may be terminated by either party upon
written notice to the other party no later than September 30th. Such termination will apply to the following calendar year and every year thereafter unless otherwise mutually agreed by the parties.