

AGREEMENT

THIS AGREEMENT, made this 16th day of September, 2011, by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees (other than Yardmasters) of such carriers shown thereon and represented by the United Transportation Union, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - First General Wage Increase (for other than Dining Car Stewards)

(a) Effective July 1, 2010, all standard basic daily rates of pay for employees represented by the United Transportation Union in effect on June 30, 2010 shall be increased by two (2) percent.

(b) In computing the increase for enginemen under paragraph (a) above, two (2) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily rate of pay:

- Passenger - 600,000 and less than 650,000 pounds
- Freight - 950,000 and less than 1,000,000 pounds
(through freight rates)
- Yard Engineers - Less than 500,000 pounds
- Yard Firemen - Less than 500,000 pounds
(separate computation covering five- day rates and other than five-day rates)

Section 2 - Second General Wage Increase (for other than Dining Car Stewards)

Effective July 1, 2011, all standard basic daily rates of pay in effect on June 30, 2011 for employees represented by the United Transportation Union shall be increased by two-and-one-half (2-1/2) percent, computed and applied in the same manner prescribed in Section 1(b) above.

Section 3 - Third General Wage Increase (for other than Dining Car Stewards)

Effective July 1, 2012, all standard basic daily rates of pay in effect on June 30, 2012 for employees represented by the United Transportation Union shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

Section 4 – Fourth General Wage Increase (for other than Dining Car Stewards)

Effective July 1, 2013, all standard basic daily rates of pay in effect on June 30, 2013 for employees represented by the United Transportation Union shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

Section 5 – Fifth General Wage Increase (for other than Dining Car Stewards)

Effective July 1, 2014, all standard basic daily rates of pay in effect on June 30, 2014 for employees represented by the United Transportation Union shall be increased by three-and-one-half (3-1/2) percent, computed and applied in the same manner prescribed in Section 1(b) above.

Section 6 – Sixth General Wage Increase (for other than Dining Car Stewards)

Effective January 1, 2015, all standard basic daily rates of pay in effect on December 31, 2014 for employees represented by the United Transportation Union shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

Section 7 - Standard Rates

The standard basic daily rates of pay produced by application of the increases provided for in this Article are set forth in Appendix 1, which is a part of this Agreement.

Section 8 - Application of Wage Increases

(a) The adjustments provided for in this Article will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, but will apply to mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(b) In engine service and in train and yard ground service, miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be adjusted in the same manner as heretofore increased under previous wage agreements.

(c) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(d) Daily earnings minima shall be changed by the amount of the respective daily adjustments.

(e) Standard monthly rates and money monthly guarantees applicable in passenger train service shall be thirty times the new standard daily rates. Other than standard monthly rates and money monthly guarantees shall be so adjusted that money differentials existing as of June 30, 2010 shall be preserved.

(f) Existing monthly rates and money monthly guarantees applicable in train service other than passenger will be changed in the same proportion as the daily rate for the class of service involved is adjusted.

(g) Existing money differentials above existing standard daily rates shall be maintained.

(h) In local freight service, the same differential in excess of through freight rates shall be maintained.

(i) The existing differential of \$6.00 per basic day in passenger, freight, and yard service, and 6¢ per mile for miles in excess of the number of miles encompassed in the basic day, currently payable to engineers working without firemen, shall be maintained and applied in the same manner as the local freight differential.

(j) In computing the first increase in rates of pay effective under Section 1 for engineers, firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number comprising a basic day, which are therefore paid on a daily basis without a mileage component, whose rates had been increased by "an additional \$.40" effective July 1, 1968, the two (2) percent increase shall be applied to daily rates in effect on the day preceding the effective date of the general wage increase provided for in Section 1, exclusive of car scale additives, local freight differentials, and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-

on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases effective July 1, 2011, July 1, 2012, July 1, 2013, July 1, 2014, and January 1, 2015. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendix 1 which is a part of this Agreement.

(k) Other than standard rates:

(i) Existing basic daily rates of pay other than standard shall be changed, effective as of the dates specified in Sections 1, 2, 3, 4, 5, and 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

(ii) The existing differential of \$6.00 per basic day in passenger, freight, and yard service, and 6¢ per mile for miles in excess of the number of miles encompassed in the basic day, currently payable to engineers working without firemen, shall be maintained and applied in the same manner as the local freight differential.

(iii) Daily rates of pay, other than standard, of engineers, firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number encompassed in the basic day, which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections 1, 2, 3, 4, 5, and 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (k)(i) above.

(l) Trip Rates established pursuant to Article V of the 2002 UTU Agreement shall be adjusted by application of the general wage increases provided for in this Article I, in the manner set forth in Article V, Part B, Section 4(c)(1) of that Agreement.

Section 9 - General Wage Increases for Dining Car Stewards

(a) Effective July 1, 2010, all basic monthly rates of pay in effect on June 30, 2010 for dining car stewards represented by the United Transportation Union shall be increased by two (2) percent.

(b) Effective July 1, 2011 all basic monthly rates of pay in effect on June 30, 2011 for dining car stewards represented by the United Transportation Union shall be increased by two-and-one-half (2-1/2) percent.

(c) Effective July 1, 2012, all basic monthly rates of pay in effect on June 30, 2012 for dining car stewards represented by the United Transportation Union shall be increased by three (3) percent.

(d) Effective July 1, 2013, all basic monthly rates of pay in effect on June 30, 2013 for dining car stewards represented by the United Transportation Union shall be increased by three (3) percent.

(e) Effective July 1, 2014, all basic monthly rates of pay in effect on June 30, 2014 for dining car stewards represented by the United Transportation Union shall be increased by three-and-one-half (3-1/2) percent.

(f) Effective January 1, 2015, all basic monthly rates of pay in effect on December 31, 2014 for dining car stewards represented by the United Transportation Union shall be increased by three (3) percent.

ARTICLE II - COST-OF-LIVING PAYMENTS

Cost-of-Living Payments Under July 1, 2008 Agreement

Section 1

Article III, Part B, of the July 1, 2008 National UTU Agreement, shall be eliminated effective June 30, 2011.

Section 2

Any local counterpart to the above-referenced Article III, Part B that is in effect on a carrier party to this Agreement shall be amended in the same manner as provided in Section 1.

ARTICLE III - HEALTH AND WELFARE

Part A - Plan Changes

Section 1 - Continuation of Plans

The National Railway Carriers and United Transportation Union Health and Welfare Plan ("NRC/UTU H&W Plan") and the Railroad Employees National Health and Welfare Plan (individually and collectively referred to in this Agreement, depending on the context, as "the Plan"), the Railroad Employees National Dental Plan ("the Dental Plan"), the Railroad Employees National Early Retirement Major Medical Benefit Plan ("ERMA"), and the Railroad Employees National Vision Plan ("the Vision Plan"), modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, will be continued subject to the provisions of the Railway Labor Act.

Section 2 - Plan Design Changes -- NRC/UTU H&W Plan

(a) The Plan's Managed Medical Care Program ("MMCP") shall be revised as follows:

- (1) There shall be a separate, stand-alone, Annual Deductible of \$200 per individual and \$400 per family for In-Network Services for which a fixed-dollar copayment does not apply.
- (2) The percentage of Eligible Expenses paid by the Plan for any In-Network Services for which a fixed-dollar copayment does not apply (as defined by procedure code) shall be 95% of the Eligible Expenses that exceed the applicable Annual Deductible provided for in clause (1) above; the amount payable by the employee as a result of this "coinsurance" shall be capped at \$1,000 per individual per year and \$2,000 per family per year.
- (3) The Emergency Room Co-Payment for In-Network Services shall be increased to \$75.00 for each visit, but shall not apply if the visit results in admission to the hospital.
- (4) The Urgent Care Center Co-Payment for In-Network Services shall be decreased to \$20.00 for each visit.
- (5) In cases where a fixed-dollar copayment of \$20 currently applies to an office visit, the copayment shall be reduced to \$10 if the office is in a "convenient care clinic." A "convenient care clinic" means, for purposes of this Section, a health care facility typically located in a high-traffic retail store, supermarket or pharmacy that provides