

## **PROPOSED MEMORANDUM OF AGREEMENT**

The Terminal Railroad Association of St. Louis ("TRRA") and the Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters ("BMWE") hereby agree as follows:

### **ARTICLE I Contracting Out Work**

Section 1. Nothing in the scope, classification or any other rules contained in any and all Agreements between the TRRA and BMWE will limit nor be construed to restrict or suppress the right of the TRRA to contract out work (including work normally performed by employees assigned by the TRRA to job classifications listed in or added to Rule 2 of the Schedule Agreement) to independent contractors of the TRRA's sole selection. It is the policy of the TRRA to use its employees as much as practicable in the performance of work but the decision to contract out rests solely within the discretion of the TRRA.

Section 2. While it is not the intention of the TRRA to contract out work as a basis for laying off or to avoid recalling furloughed employees, it is recognized that, under certain circumstances, contracting out work may be necessary. In any event, the TRRA will have the unilateral right to contract out work reserved to maintenance of way forces by agreement or practice will not be required to provide any notice to the BMWE in connection with such contracting.

### **ARTICLE II Specified Workforce Level**

Section 1. (a) Subject to the provision of this Article, the TRRA will maintain a specified level of employees who are in active service and assigned to full time regular positions on the effective date of this Memorandum of Agreement. The number of the specified workforce will be thirty-four (34) employees, of which twenty-five (25) will be in the Track Sub-Department and nine (9) employees will be in the B&B Sub-Department. These employees will be retained in service until retirement, resignation, death, dismissed for cause, or are furloughed because of a decline in business under paragraph (f) of this Article. Employees on active duty in the Armed Forces of the United States will be counted in the specified level of employees provided they are paid by the TRRA the difference between their military pay and the rate of pay under BMWE Schedule Agreement. In the event the number of active employees assigned to regular full time positions falls below the level specified in paragraph (a), the vacant full time position must be replaced no later than ninety (90) days after such vacancy.

(b) Employees are covered by this Memorandum of Agreement who accept voluntary furlough status will be considered as active in computing the level of employees specified in paragraph (a) of Section 1 hereof.

(c) It will not be a violation of paragraph (a) of Section 1 hereof to blank a position if a Track or B&B employee is removed from service because of a medical disqualification or for disciplinary reasons.

(d) The TRRA will not be required to replace and/or add to the specified level of Track or B&B employee because of sickness, leave of absence or vacation.

(e) Notwithstanding the provisions of this Article, the TRRA will have the right to make force reductions under emergency conditions such as flood, snowstorm, hurricane, earthquake, fire or work stoppage, provided that operations are suspended in whole or in part because of these emergencies. When the specified workforce has been reduced as a result thereof, and thereafter as operations are restored upon the termination of the emergency Track and B&B employees who are entitled to employment in accordance with paragraph (a) of Section 1 hereof will be recalled to service.

(f) In addition to emergency conditions, the specified level of employees i.e., thirty-four (34) may be reduced as a result of loss in TRRA business in excess of five percent 5% in the average percentage of both gross operating revenue and net revenue ton miles in any thirty (30) day period compared with the average of the same period for the years 1963 and 1964. A reduction in forces in the craft represented by the BMW E may be made at any time during said thirty (30) day period below the number of specified employees under this Agreement to the extent of one percent (1%) for each one percent (1%) said decline exceeds five percent 5%. The average percentage of decline shall be the total of the percent of decline in gross operating revenue and percent of decline in net revenue ton miles divided by 2. Advance notice of any such force reduction shall be given as required by the current Schedule Agreement of the BMW E. Upon restoration of TRRA'S business following any such force reduction, affected employees shall be recalled in accordance with the same formula indicated above within fifteen (15) calendar days. Further, in the event of a force reduction under this paragraph, there shall be no contracting of BMW E work until the thirty-four (34) specified level of employees is reached by recall.

(g) Employees hired after the effective date of this agreement will become subject to the provisions of paragraphs (a) of this Article upon completion of sixty (60) days of active service.

(h) New hires brought into service will not have entry rates applied.

(i) Memorandum Agreement between TRRA and BMW E titled "Flag Protection" signed by BMW E 9/11/02, by TRRA 9/18/02 remains in effect as written within this Memorandum of Agreement.

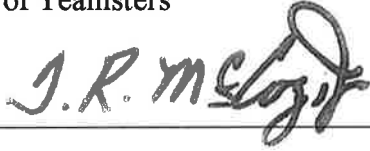
(j) BMW E employees specified within this agreement will be called in seniority order (with equal hours of actual overtime of the contractor) and offered the overtime work opportunity whenever a contractor is assigned to a project that exceeds forty (40) hours within any given work week.  
Note: The number of BMW E employees called within this paragraph will not exceed the number of contract employees assigned to said project.

### **ARTICLE III** **Incidental Work**

Section 1. Track and B&B employees, included within the specified levels of employees provided herein, may perform incidental work that is reserved to their respective Sub-Departments or other maintenance of way Sub-departments in the performance of their assigned duties without violating

this Memorandum of Agreement, the BMWWE Schedule Agreement, or any other agreements or understandings between the TRRA and BMWWE.

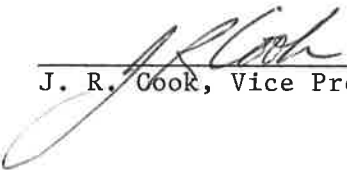
For the Brotherhood of  
Brotherhood of Maintenance of Way Employes  
Division of the International  
Brotherhood of Teamsters

  
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For The  
Terminal Railroad Association of St. Louis

  
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Dated: 1-3-08

  
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J. R. Cook, Vice President, BMWED

## Questions and Answers

Q. 1. Will this Agreement affect or alter the current seniority within prospective departments?

A. No.

Q. 2. Will each Track and B&B employee receive a two dollar and fifty cent (\$2.50) per hour increase and twenty (20) minutes of paid lunch as a result of this Agreement?

A. Yes.

Q. 3. Will crossing from Track to B&B or B&B to Track be only to supplement projects or other specified conditions and only be temporary not to exceed 30 days per instance?

A. Yes

Q. 4. Will the maximum annual supplemental crossover B&B to track or track to B&B time in working days be limited to ninety (90) other than emergency conditions or derailment as listed in Section 1 - Para A of this Agreement?

A. Yes

**PROPOSED  
MEMORANDUM OF AGREEMENT**

The Terminal Railroad Association of St. Louis ("TRRA") and the Brotherhood of Maintenance of Way Employes Division of the International Brotherhood of Teamsters ("BMWE") hereby agree as follows:

Article I

Conditions Allowing Work Force Combinations in Track and Bridge and Building (B&B)  
Departments.

Section I (a). Under the following conditions, it will be permissible to supplement Track or B&B work forces temporarily. Prior rights and Scope of Work within perspective departments will not be altered as a result of this Agreement.

1. Weather Conditions
2. Major Capital Projects (AFE)
3. Major Maintenance Projects (MTCE)
4. Derailments

Article II

Pay Scale/Lunches

Section II (a) Upon signing this Agreement, Track Sub-Department and B&B Sub-Department hourly rate will be increased by two dollars and fifty cents (\$2.50).

(b) This increase will be subject to further wage increases or cost of living allowances (COLA).

(c) Employees covered under this Agreement will be allowed a (20) minute paid lunch period within the basic day assignment. All existing lunch rules apply.

Article III

Misc. Foreman Positions

Section III (a) Memorandum of agreement dated September 26, 1989 (013-293-15), paragraph 2. Note, second sentence reading: However, if, after the effective date of this agreement, such employee voluntarily exercise seniority (bid or bump) to a Foreman's position, they must, thereafter, exercise their seniority rights in such rank before displacing employees with less seniority rights in succeeding lower ranks including Group 1 b (established herein) in order to retain their foreman's seniority consistent with the Schedule Agreement. - Is here-by removed and replaced with the following: BMW employees will be allowed to without loss of seniority, to bid to any position within their sub-department, or displace any junior employee from any position within their sub- department for which they hold seniority, upon a triggering event giving the employee the right to make displacement.

For the Brotherhood of  
Maintenance of Way Employes  
Division of the International  
Brotherhood of Teamsters

For the Terminal Railroad Association  
of St. Louis

  
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Dated: 1-7-08

Dated: 1-3-08





September 07, 2007  
Mr. T. R. McCoy  
General Chairman – Affiliated System Federation  
Subject: Contracting-Out Notice dated August 24, 2007  
Dear Sir:

Per verbal conference, the Terminal Railroad Association of St. Louis ("TRRA") will agree to the following conditions listed below in reference to Contracting-Out Notice dated August 24, 2007:

1. The Carrier will allow ten (10) TRRA employees the opportunity to work an equivalent amount of hours as the contractor performing steel repairs with a minimum of two (2) hours overtime. These ten (10) employees will consist of nine (9) Bridge & Building employees and one (1) additional employee of the Brotherhood's choosing. The Bridge & Building employees will perform Bridge & Building work and the designated employee will perform duties pertinent to their craft.

It is further agreed that the Carrier will not have any obligation to compensate any of the aforementioned employees for any hours not worked due to the employee(s) discretion.

2. The Carrier will pay nine (9) Bridge & Building employees and one additional employee, to be designated by the Brotherhood, a lump sum of One Thousand Three Hundred dollars. This payment will be made within thirty days of the acceptance of this agreement by all concerned.

3. The flag work for the steel repairs will be provided by Bridge & Building employees.

4. This agreement will remain in effect until December 31, 2007.

The Brotherhood, by accepting the terms designated within this letter, agrees to allow the Terminal Railroad Association of St. Louis to contract-out the steel repairs as described within the Contracting-Out Notice dated August 24, 2007.

Accepted: Accepted:

*B. J. Broyles* <sup>9/11/07</sup> *T. R. McCoy*  
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B. J. Broyles T. R. McCoy  
President - TRRA General Chairman-Affiliated Systems  
=

TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS



July 8, 2008

Mr. Tom R. McCoy  
General Chairman  
Affiliated System Federation  
Brotherhood of Maintenance of Way Employees  
9300 Runyon Road  
Catlettsbury, Kentucky 41129

Dear Mr. McCoy:

Enclosed please find two original Memorandums of Agreement, regarding meal periods, for your execution. Please return one executed original in the envelope provided.

I enjoyed our meeting and look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink that reads 'Shannon L. Robinson'. The signature is written in a cursive, flowing style.

Shannon L. Robinson  
Director Labor Relations, Human Resources,  
Corporate Secretary and Assistant to President

Enclosure



**Memorandum of Agreement**

**between**

**Terminal Railroad Association of St. Louis**

**and**

**Affiliated System Federation  
Brotherhood of Maintenance of Way Employees**

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The Terminal Railroad Association of St. Louis (hereinafter referred to as the Carrier) and the Affiliated System Federation Brotherhood of Maintenance of Way Employees (hereinafter referred to as the Brotherhood) hereby agree as follows:

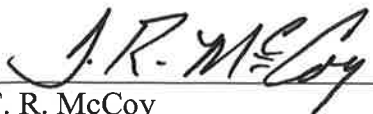
**Meal Periods**

It is hereby agreed that the twenty-minute paid meal period will be changed as follows:

- a. Brotherhood employees' meal periods will be taken within a two-hour period after completing the fourth hour of starting work, e.g., employees starting work at 7:30 a.m. would have a meal period between 11:30 a.m. and 1:30 p.m.
- b. Should a meal period not be afforded at the agreed-to time frame, a sufficient amount of time for a meal will be allowed at the earliest time possible and the affected employee will be compensated twenty-minutes straight time in addition to their actual hours worked.
- c. It is further understood that should the Brotherhood employees be required to work overtime, a meal period will be taken at 5:30 p.m. and every six hours thereafter while working overtime.

Signed at St. Louis, Missouri this 8th day of July, 2008.

For the Organization:



T. R. McCoy  
General Chairman  
Affiliated System Federation  
Brotherhood of Maintenance of Way Employees

For the Carrier:



Shannon L. Robinson  
Director Labor Relations  
Terminal Railroad Association of St. Louis

January 3, 2008

Mr. Jack David, Vice Chairman  
Affiliated System Federation,  
Brotherhood of Maintenance  
of Way Employes  
1101 Country Road 2375  
Moberly, Missouri 65270

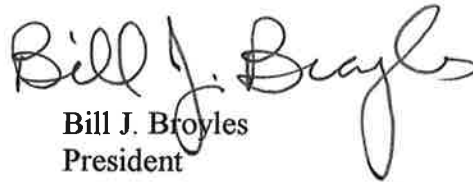
Dear Mr. David:

Here are the two drafts of the proposed Agreements between the Terminal Railroad Association of St. Louis and the Brotherhood of Maintenance of Way Employes subsequent to our meeting held in St Louis, Missouri on Tuesday, November 6, 2007.

Also, as an act of good faith on the Carrier's part, I will apply a \$500.00 productivity payment per employee; to be paid out on December 1 of each calendar year for the thirty-four (34) BMWE represented employees upon the finalization and signing of the proposed Agreement.

Please call me at anytime if any questions or concerns arise concerning the above.

Sincerely yours,

  
Bill J. Broyles  
President