

AGREEMENT

Between the

Northeast Illinois Regional
Commuter Railroad Corporation

(a Public Corporation)



And the

International Association of Machinists
and Aerospace Workers

General Agreement Rules Effective December 16, 1987

(Revised to January 1, 2009)

Wage Revised to July 1, 2010

**AGREEMENT BETWEEN THE
NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION**

(A Public Corporation)

And The

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**

**General Agreement Rules Effective December 16, 1987
(Revised to January 1, 2009)
Wage Rates Revised to July 1, 2010**

This will certify that I have received a copy of the above Agreements.

(Print Name)

Signature

(Employee I.D. Number)

Title

Date

**(This signed receipt should be obtained by Supervisors and forwarded
to the Office of Personnel Administration)**

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RULE 1. HOURS OF SERVICE. Eight hours, exclusive of the meal period, except as otherwise provided, shall constitute a day's work. The normal number of working hours per week shall be forty (40) except when a legal holiday intervenes, or the holiday is observed on a working day because it falls on a Sunday. This does not guarantee an employee who may be laid off in force reduction or returned in force increase or a furloughed employee who may be called back to work, forty (40) hours' work in that week, nor does it apply to employees in the week when shops are closed or reopened.

All employees coming under the provision of this agreement, except as otherwise provided in this schedule of rules, or as may hereafter be legally established between the Carrier and the employees, shall be paid on the hourly basis.

THE FORTY HOUR WORK WEEK

Establishment of Shorter Work Week.

NOTE: The expressions "positions" and "work" refer to service, duties or operations necessary to be performed the specified number of days per week and not to the work week of individual employees.

(a) General. The Carrier will establish, December 16, 1987, for all employees, subject to the exceptions contained in this rule, a work week of 40 hours, consisting of five days of eight hours each, with two consecutive days off in each seven; the work weeks may be staggered in accordance with the Carrier's operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing work week rule is subject to the provisions which follow:

(b) Five-day Positions. On positions the duties of which can reasonably be met in five days, the days off will be Saturday and Sunday.

(c) Six-day Positions. Where the nature of the work is such that employees will be needed six days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.

(d) Seven-day Positions. On positions which have been filled seven days per week any two consecutive days may be the rest days with the presumption in favor of Saturday and Sunday.

(e) Regular Relief Assignments. All possible regular relief assignments with five days of work and two consecutive rest days will be established to do the work necessary on rest days of assignments in six or seven-day service or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under individual agreements.

Assignments for regular relief positions may on different days include different starting times, duties and work locations for employees of the same class in the same seniority district, provided they

take the starting time, duties and work locations of the employee or employees whom they are relieving.

(f) Deviation from Monday-Friday Week. If in positions or work extending over a period of five days per week, an operational problem arises which the Carrier contends cannot be met under the provisions of paragraph (b), and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, and if the parties fail to agree thereon, then if the Carrier nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim under the rules agreements.

(g) Non-consecutive Rest Days. The typical work week is to be one with two consecutive days off, and it is the Carrier's obligation to grant this. Therefore, when an operating problem is met which may affect the consecutiveness of the rest days of positions or assignments covered by paragraphs (c), (d) and (e), the following procedure shall be used:

- (1) All possible regular relief positions shall be established pursuant to paragraph (e).
- (2) Possible use of rest days other than Saturday and Sunday, by agreement or in accordance with other provisions of this agreement.
- (3) Efforts will be made by the parties to agree on the accumulation of rest time and the granting of longer consecutive rest periods.
- (4) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.
- (5) If the foregoing does not solve the problem, then some of the relief men may be given non-consecutive rest days.
- (6) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.
- (7) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.
- (8) If the parties are in disagreement over the necessity of splitting the rest days on any such assignments, the Carrier may nevertheless put the assignments into effect subject to the right of employees to process the dispute as a grievance or claim under the rules agreements, and in such proceedings the burden will be on the Carrier to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five days per week.

(h) Rest Days of Furloughed Employees. To the extent furloughed men may be utilized under applicable agreements or practices, their days off need not be consecutive; however, if they take the assignment of a regular employee they will have as their days off the regular days off of that assignment.

(i) Beginning of Work Week. The term "work week" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work.

RULE 2. STARTING TIME. (a) One Shift. Where one shift is worked, the starting time shall not be earlier than 7 a.m. and not later than 8 a.m.

(b) Two Shifts. Where two shifts are worked, the starting time of the first shift shall not be earlier than 7 a.m. nor later than 8 a.m. The starting time of the second shift may start immediately following the first shift or at any time thereafter but not later than 12 midnight.

(c) Three Shifts. Where three shifts are worked, the starting time of the first shift will not be earlier than 7 a.m. nor later than 8 a.m. Time of the second and third shift will start immediately following the preceding shift.

(d) Each shift as provided for in paragraphs (a), (b) and (c) hereof shall consist of eight consecutive hours including an allowance of twenty minutes for lunch, without deduction in pay, within the limits of the fourth to the sixth hour.

(e) Exceptions. In cases where the schedule of trains interferes with the starting time an Agreement may be entered into by the General Officers of the department affected and the General Chairman of the Craft affected.

RULE 3. COMMENCING AND QUITTING TIME SHIFTS. The time established for commencing and quitting work for all men on each shift shall be the same at the respective point employed in the Motive Power or Car Departments.

RULE 4. OVERTIME, REST DAY AND HOLIDAY SERVICE. (a) All service performed outside of bulletined hours will be paid for at the rate of time and one-half until relieved, except as may be provided in rules hereinafter set out.

Service rendered by an employee on his assigned rest days and on the following legal holidays, namely, New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Eve, Christmas, and New Year's Eve (provided when any of the above holidays fall on Sunday, the day observed by the State, Nation, or by Proclamation shall be considered the holiday) shall be paid for at the rate of time and one-half.

Employees advised on the day before a rest day or holiday that they will be required to work on such day and who do report, or those called to take the place of such employees, will be paid for

the full day for such service unless released at their own request. Rest day and Holiday assigned hours will be the same as in effect on week days at the point. Those who are called will be advised as soon as possible after a vacancy becomes known.

Provisions in existing rules which relate to the payment of daily overtime shall remain unchanged. Work in excess of forty (40) straight time hours in any work week shall be paid for at one and one-half times the basic straight time rate except where such work is performed by an employee due to moving from one assignment to another or to or from a furloughed list.

Employees worked more than five days in a work week shall be paid one and one-half times the basic straight time rate for work on the sixth and/or seventh days of their work weeks, except where such work is performed by an employee due to moving from one assignment to another or to or from a furloughed list.

Notwithstanding the foregoing, service performed by a regularly assigned hourly or daily rated employee on the second rest day of his assignment shall be paid at double the basic straight time rate provided he has worked all the hours of his assignment in that work week and has worked on the first rest day of his work week, except that emergency work paid for under the call rules will not be counted as qualifying service under the rule, nor will it be paid for under the provisions hereof.

There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight paid for at overtime rates on holidays or for changing shifts, be utilized in computing the forty (40) hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours or where such time is now included under existing rules in computations leading to overtime.

(b) HOLIDAYS. Employees subject to this agreement are covered by the holiday provisions of the National Holiday Agreement of August 21, 1954, as amended, a synthesis of which is contained in Appendix A.

RULE 5. OVERTIME AND CALLS AT HOME STATION. For continuous service after regular working hours, employees will be paid time and one-half on the actual minute basis for any such service performed except as may be provided in rules hereinafter set out.

Employees shall not be required to render continuous overtime service after regular assignment for more than two hours without being permitted to go to meals. Time taken for meals will not terminate the continuous service period and will be paid for up to thirty (30) minutes.

Employees called or required to report for service but not used, will be paid a minimum of four hours at straight time rates.

Employees called or required to report for service, reporting and used, will be granted five hours pay for three hours and twenty (20) minutes work, or less, and shall be required to do only such work as called for.

Employees will be allowed time and one-half on minute basis for services performed continuously in advance of the regular working period with a minimum of one hour, the advance period to be not more than one hour.

Except as otherwise provided for in these rules, all overtime beyond sixteen (16) hours of service in any twenty-four (24) hour period, computed from starting time of employees' regular shift, shall be paid for at rate of double time.

When an employee has rendered service continuously for twenty-four (24) hours, he will not be required to render further service except to complete the emergency and for any service so required, he will be paid at double time. If the employee desires to continue in service after the emergency has been completed, beyond twenty-four (24) hours, he will be paid only at pro-rata rate.

If a furloughed employee is used to fill a temporary vacancy as a result of a regularly assigned employee laying off, it will not be considered a call under this rule and he will be paid a minimum of eight hours.

RULE 6. OVERTIME, CHANGE OF SHIFTS. Employees changed from one shift to another will be paid overtime rate for the first shift of each change.

This rule will not apply to cases of employees exercising their seniority rights by bidding under Rule 12 or bumping on another position when seniority entitles an employee to remain on his present shift or where a relief position is created in which the assigned relief man performs work on different shifts of his assignment. Such relief employee will not be paid overtime rates for changing shifts to perform the work on the shifts included in his assignment.

RULE 7. EQUALIZING TIME. When it becomes necessary for employees to work overtime, they will not be required to lay off during regular working hours to equalize the time.

Local Officers and Local Chairmen will cooperate in distributing overtime worked with the purpose in view of distributing the overtime equally as possible.

Record will be kept of overtime worked and employees called with the purpose in mind of distributing the overtime equally. Such record will be available to the committee.

RULE 8. EMERGENCY SERVICE - ROAD. (a) An employee regularly assigned at a shop, engine house, repair track, or inspection point, when called for emergency road service away from such shop, engine house, repair track or inspection point, will be paid from the time ordered to leave home point until his return for all service rendered in accordance with the practice at home point, straight time rates for straight time hours and overtime rates for overtime hours for all time worked.

(b) If during the time on the road, a man is relieved from duty and permitted to go to bed for five or more hours, such relief periods will not be paid for; provided that in no case shall he be paid for a total of less than eight hours each calendar day, when such irregular service prevents the employee from making his regular daily hours at home point.

When meals and/or lodging are not provided by railroad, actual necessary expenses will be allowed.

Employees will be called as nearly as possible one hour before leaving time.

(c) Wrecking service employees will be paid in accordance with this rule.

RULE 9. DETACHED SERVICE. An employee on any day who is temporarily detached to supplement forces in his craft at a location other than the location to which permanently assigned will be paid at the punitive rate rather than the straight time rate for the time so used which shall be continuous from the time leaving his regularly assigned location until returned thereto. The punitive rate provisions of this rule are inapplicable between (1) Chicago Union Station and Western Avenue; (2) 47th, 49th or 51st Street; (3) Randolph Street, Van Buren Street and 18th Street M.U. Shop and (4) all points at Blue Island.

Such employee will be returned to his regularly assigned work location each day.

The Corporation shall provide needed transportation to and from such work locations.

(See Side Letter No. 5 of Appendix J for application on MED)

RULE 10. OVERTIME, REGULAR ASSIGNED ROAD WORK - HOURLY BASIS. Hourly paid employees regularly assigned to road work whose tour of duty is regular and who leave and return to home station daily, shall be paid continuous time from the time of leaving home station to the time they return whether working, waiting or traveling, as follows:

Straight time for all straight time hours and overtime for all overtime hours in effect at his home station. The starting time will be not earlier than 7 a.m. nor later than 8 a.m. Where two or more shifts are worked, the starting time of each shift will be regulated according to Rule 2.

The regularly assigned road men under the provisions of this rule may be used to perform any work pertaining to their craft and class.

Such employees if required to remain away from home station overnight, necessitating purchase of meals and/or lodging, will be reimbursed for such actual necessary expenses.

RULE 11. FILLING VACANCIES (RENDERING DIFFERENTIAL SERVICE). (a) An employee required to perform work paying a higher rate of pay will receive the higher rate while performing such work, minimum of one hour, but when an employee is required to perform such work more than once on a shift, he shall receive the higher rate for the entire shift.

(b) When an employee is required to perform work paying a lower rate of pay, his rate will not be changed.

RULE 12. BULLETINING POSITIONS. (a) All new positions or vacancies of more than thirty (30) calendar days known duration will be promptly bulletined and in all cases on or before the thirty-first (31st) day. Bulletins will be posted in places readily accessible to the employees affected thereby. Bulletins will be posted for seven calendar days. Employees desiring such positions will file application on the standard form reproduced herein with proper Carrier Officer, with copies to the Local Chairman, or General Chairman as situation may require. If bidding on more than one position, preference must be indicated.

STANDARD APPLICATION		
<div style="text-align: center; margin-bottom: 20px;"> <div style="border-bottom: 1px solid black; width: 150px; margin: 0 auto;"></div> <div style="margin: 0 auto; font-size: small;">(Date)</div> </div>		
TO <div style="border-bottom: 1px solid black; width: 200px; display: inline-block;"></div> <div style="margin: 0 auto; font-size: small;">(Name of Official)</div>		
Please accept this as my bid, pursuant to Rule 12, for		
<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">Preference (1st, 2nd, etc.)</div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Title of Position)</div>	
<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Position Number)</div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Bulletin Number)</div>	
NOTE: If bidding more than one position, state preference.		
<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Signed)</div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Seniority Date)</div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="margin: 0 auto; font-size: small;">(Employee No.)</div>
cc: To Local Chairmen. (If no Local Chairman, Copy to General Chairman.)		

The successful senior applicant will be transferred to the new position within fifteen (15) calendar days of the close of the bulletin. Successful applicants who are not transferred within such fifteen calendar day period, will for each work day thereafter held on his former assignment be paid the following allowance until transfer is completed in addition to the higher of the two rates until actually transferred:

16th through 30th calendar day	-	4.00 per work day
31st through 45th calendar day	-	\$ 8.00 per work day
46th through 60th calendar day	-	\$12.00 per work day
61st day and beyond	-	\$16.00 per work day

(b) Bulletined positions during advertisement periods or temporary vacancies of thirty (30) days or less, if to be filled, may be filled temporarily by the senior qualified employee at the respective point employed in the Motive Power or Car Departments requesting same, or if none, by the junior qualified employee at such point.

(c) Bulletins will be of standard form showing location, title of position, primary duties encompassed by such position, rate of pay, assigned hours, meal period, assigned day or days of rest and probable or expected duration.

BULLETIN (Advertising New Position or Vacancy)		
Place _____	Date _____	Bulletin No. _____
TO EMPLOYEES CONCERNED:		
<p>The following position is hereby advertised for application or bids in accordance with Rule 12 of the Agreement. Applications or bids shall be submitted in duplicate to the undersigned, (and a copy sent to the Local Chairman) where they will be received up to 12:00 noon, _____.</p> <p style="text-align: right;">(Date)</p>		
Location Number and Title of Position Rate of Pay Hours of Assignment Days of Assignment Days of Rest	Meal Period Assignment New Position or Vacancy Vacated by Reason Vacated Approximate Duration Primary Duties	
_____ (Signed)	_____ (Name of Official)	_____ (Title)
cc: To Local Chairmen. (If no Local Chairman, Copy to General Chairman.)		

(d) Unless application is withdrawn before bulletin closes, an employee who has applied and is assigned must accept the position.

(e) An employee awarded a bulletined position cannot bid on the position vacated until such position has once been filled and is again vacant and bulletined.

(f) In the event no bids are received for bulletined position, such position may be filled by the assignment of the junior employee of the craft.

(g) Employees will be given cooperation by the Carrier in qualifying for positions secured in the exercise of seniority.

In the event such employee is not disqualified within thirty (30) working days because of incompetency, he shall be considered qualified for such position.

(h) An employee failing to qualify within the prescribed time as set forth in (g) will take whatever position may be open in his craft. If no position is open he may only displace the junior employee.

(i) An employee exercising seniority from one regular position to another regular position assumes the rest days assigned to the latter position and will be paid straight time for days (except holidays) he actually works on such position between the last rest day of former position and the first rest day of the new position.

NOTE: Employees absent because of being on vacation, or for any other legitimate cause, under the applicable rules, will be privileged to exercise their seniority rights to new positions or vacancies bulletined during their absence from duty, provided they make application in writing to the official in charge, with copy given to the Local Chairman or General Chairman, as the case may be, within seven calendar days after their return to service. Employees exercising their seniority rights as per this rule or junior employees disturbed as a result of such exercise of seniority, will not be paid premium rate if required to change shifts.

RULE 13. PROMOTION TO FOREMAN. (a) Journeyman mechanics in service shall be considered for promotion. Each of the respective crafts shall be given equal consideration in the selection process.

(b) When vacancies occur in positions of foreman, journeyman mechanics from the respective crafts will have preference in promotion.

(c) It is the policy of the Carrier to promote its own employees, and only when competent employees cannot be found in the ranks, or when competent employees will not accept vacancies or new positions, shall it be the disposition of the Carrier to vary from this policy.

(d) Employees covered by this Agreement who prior to the effective date thereof have been promoted to an official, supervisory or excepted position will continue to accumulate seniority under this Agreement so long as they pay a monthly service fee equal to the currently applicable membership dues to the Organization. In the event an employee elects not to pay the monthly fee, the duly authorized representative shall notify the Director of Labor Relations with a copy to the employee involved. If within thirty (30) calendar days after receipt of such notification the employee has not paid the monthly fee to the Organization, the employee's seniority will be terminated and the employee's name will be removed from the seniority roster.

(e) Employees promoted to an official, supervisory or excepted position subsequent to the effective date of this Agreement may elect to retain and accumulate seniority within the craft or class represented by the organization party to this agreement so long as the employee pays a monthly service fee equal to the currently applicable membership dues to the organization. In the event such an employee elects not to pay the monthly fee to retain seniority, the duly authorized representative of the organization party to this agreement shall notify the Director, Labor Relations with a copy to the employee involved. If within thirty (30) calendar days after receipt of such notification the employee has not paid the monthly fee to the organization, the employee's seniority in the craft or class represented by the organization party to this agreement will be terminated and the employee's name removed from the seniority roster.

(f) Promoted employees retaining seniority pursuant to this rule shall, when returning to work as mechanics exercise seniority within seven calendar days under the following conditions:

(i) If such employee is subsequently removed from such position by the Carrier (other than through dismissal for cause), he shall be entitled to displace any employee with less seniority in the craft or class or bid on a bulletin vacancy on the seniority roster from which promoted, or

(ii) In the event an employee is not subsequently removed by action of the Carrier from his promoted position but voluntarily demoted himself, he shall be entitled to displace the junior employee on the seniority roster or bid on a bulletin vacancy on said roster.

(See Side Letter 4)

RULE 14. ABSENCE FROM WORK WITHOUT LEAVE. In case an employee is unavoidably kept from work he will not be discriminated against. An employee detained from work on account of sickness or for any other good cause shall notify the Carrier as early as possible.

RULE 15. LEAVE OF ABSENCE. When the requirements of the service will permit, employees on request, will be granted leave of absence for a limited time, with privileges of renewal. An employee absent on leave who engages in other employment will lose his seniority unless special provisions shall have been made therefor by the proper official and committee representing his craft.

Employees serving as labor representatives will retain their full rights and continue to accumulate seniority.

An employee reporting for duty after leave of absence, shall return to his regular position. If during his absence, his regular position has been abolished, or filled by a senior employee in the exercise of seniority, he may within seven working days after reporting for duty exercise seniority. During the seven day period such employee will perform work as assigned.

RULE 16. FAITHFUL SERVICE. Employees who have given long and faithful service in the employ of the Carrier and who have become unable to handle heavy work to advantage, will be given preference on such light work in their line, if any, as they are able to handle and they will be paid the rate of the position to which they are assigned.

RULE 17. ATTENDING COURT OR CORONER'S INQUEST. When attending court or coroner's inquest as witnesses for the Carrier, employees will be reimbursed for reasonable expenses, supported by receipts, and for each day or part thereof, including rest days and holidays, will be paid for such court or inquest service consistent with rules of this Agreement. The Carrier will furnish necessary transportation and any fees or mileage accruing will be assigned to the Carrier.

RULE 18. PAYING OFF. Employees under this Agreement will be paid semi-monthly, except if concurrent Illinois State Law is amended to require pay days to be bi-weekly, then employees under this Agreement will be paid accordingly. Should the regular pay day fall on a Saturday, Sunday or holiday or days when the shops are closed, they will be paid on the preceding work day. Employees will be paid during regular working hours, however, pay checks will also be made available to night shift employees during the day.

Employees leaving the service of the Carrier will be furnished with a check covering all time due within the second workday thereafter.

Whenever there is a shortage of one day or more, and an employee so requests, a check will be issued on account of such shortage within the second workday thereafter.

During inclement weather, provisions will be made where buildings are available to pay employees under shelter.

RULE 19. REDUCTION OF FORCE. (a) When forces are reduced seniority as per Rule 22 shall govern.

Except as otherwise provided in this Rule 19(b), regularly assigned employees will be given advance notice of not less than five working days before abolishment of their position or reduction in force. A list of employees affected will be posted on bulletin board and a copy furnished the local committee and General Chairman. The requirements of Rule 19(c) will be specified in the reduction of force notice(s).

The exercising of seniority to displace junior employees, which practice is usually termed "rolling or bumping", will be permitted only when existing assignments are canceled, in which case the employee(s) affected will give notification of intent to displace within twenty-four (24) hours after receiving notice of reduction to enable all employees affected to place themselves within the singular five day notice.

(b)(i) Advance notice requirements to employees before temporarily abolishing positions or making temporary force reductions are not required under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (ii) below, provided that such conditions result in suspension of a Carrier's operations in whole or in part. Such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operation. 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 two hours' pay at the applicable rate for his position.

(ii) Advance notices before positions are temporarily abolished or forces are temporarily reduced are not required where a suspension of a Carrier's operations in whole or in part is due to a labor dispute between said Carrier and any of its employees.

(c) Employees laid off in reduction of force desiring to retain their seniority rights, must file their address in writing with their foreman and local committee within five days of date of furlough and give notice of any change in address thereafter within fifteen (15) days. Employees failing to return to service within fifteen (15) days following date of notice to return to service is forwarded to last known address will forfeit all seniority rights and will be considered out of service.

(d) Employees restored to service in an increase in force will not be laid off again without the five working days advance notice provided for in this rule. The local committee will be furnished with a copy of the list of employees to be restored to service.

RULE 20. USE OF FURLOUGHED EMPLOYEES. (a) The Carrier shall have the right to use furloughed employees to perform extra work, and relief work on regular positions during absence of regular occupants, provided such employees have signified in the manner provided in paragraph (b) hereof their desire to be so used. This provision is not intended to supersede rules or practices which permit employees to place themselves on vacancies on preferred positions in their seniority district, it being understood, under these circumstances, that the furloughed employee will be used, if the vacancy is filled, on the last position that is to be filled. This does not supersede rules that require the filling of temporary vacancies. It is also understood that management retains the right to use the regular employee, under pertinent rules of the agreement, rather than call a furloughed employee.

(b) Furloughed employees desiring to be considered available to perform such extra and relief work will notify the proper officer of the Carrier in writing, with copy to the Local Chairman, that they will be available and desire to be used for such work. A furloughed employee may withdraw his written notice of willingness to perform such work at any time before being called for such service by giving written notice to that effect to the proper Carrier Officer, with copy to the Local Chairman. If such employee should again desire to be considered available for such service notice to that effect as outlined hereinabove must again be given in writing. Furloughed employees who would not at all times be available for such service will not be considered available for extra and relief work under the provisions of this rule. Furloughed employees so used will not be subject to rules of the applicable collective agreements which require advance notice before reduction of force.

(c) Furloughed employees who have indicated their desire to participate in such extra and relief work will be called in seniority order for this service.

NOTE 1: Employees who are on approved leave of absence will not be considered furloughed employees for purposes of this agreement.

NOTE 2: Furloughed employees shall in no manner be considered to have waived their rights to a regular assignment when opportunity therefor arises.

RULE 21. SHOPS AND REPAIR TRACKS CLOSED DOWN. Employees required to work when shops or repair tracks are closed down, due to breakdown in machinery, floods, fires, and the like, will receive straight time for regular hours, and overtime for overtime hours.

RULE 22. SENIORITY. (a) Seniority of employees in their respective classifications covered by this Agreement shall extend over the entire suburban commuter district.

(b) Seniority lists will be prepared from the Corporation's records on January 1st of each year and will be posted by January 15th and open to protest for a period of sixty (60) days from date of posting. Written protests on seniority dates for correction will be confined to names added since posting of previous annual roster, except to correct typographical errors.

(c) New employees shall not establish seniority until they have been in service sixty (60) days. After seniority has been established under Rule 22, it shall be as of the date pay started.

(d) In the event two or more individuals begin service at the same time on the same date, such individuals shall be ranked in accordance with the following:

- (1) Employees transferring from other NIRC departments will be deemed senior to newly hired employees.
- (2) Employees transferring from other NIRC departments will be ranked in accordance with the respective seniority held by such employees in those other departments prior to their transfer.
- (3) Employees will then be ranked on the basis of their age, with the oldest employee ranked first. Should two or more employees be the same age, they will be ranked in alphabetical order of their last names.

(See Appendix I & J for establishment of seniority with prior rights under this Agreement)

RULE 23. ASSIGNMENT OF WORK - USE OF SUPERVISORS. (a) None but mechanics or apprentices regularly employed as such shall do mechanics' work as per the special rules of each craft except foremen at points where no mechanics are employed. However, craft work performed by foremen or other supervisory employees employed on a shift shall not in the aggregate exceed 20 hours a week for one shift, 40 hours a week for two shifts, or 60 hours for all shifts.

If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairmen of the organizations affected. Any disputes over the application of this rule shall be handled as provided hereinafter.

(b) **OUTLYING POINTS.** At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman of any craft the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by agreement it shall be handled as hereinafter provided and pending the disposition of the dispute the Carrier may proceed with or continue its designation.

RULE 24. AUTOGENOUS WELDING. Autogenous or electric welders will be paid twenty-four cents (24¢) per hour above the minimum rate paid mechanics.

Operators of oxygraph, planograph or similar type machines and electric flue welding machines will be paid twenty-four cents (24¢) per hour above the minimum rate paid mechanics.

Employees regularly assigned to perform the above work shall receive the welders rate of pay continuously.

When performing the above work for four hours or less in any one day, employees will be paid twenty-four cents (24¢) per hour above the rate paid mechanics on such class of work for the number of hours spent on such work, with a minimum of one hour, except that in the use of the cutting torch or when the above processes are used for heating purposes payment provided in this paragraph will not apply for the first hour and the minimum payment when made will be for four hours; for more than four hours in any one day the excess hourly rate for that day will apply.

RULE 25. FOREMANSHIP (FILLING TEMPORARILY). An employee covered by this schedule who temporarily fills a position of Mechanical Department Foreman, will receive the compensation provided in the Foreman's Agreement for the time so employed, which compensation on a daily basis shall not be less than a basic day's compensation at his own rate of pay.

If so assigned for five or more consecutive workdays, the employee will be required to observe the earned rest days of the Foreman's position before he can return to his position under this schedule.

RULE 26. LEAD WORKMEN. Mechanics designated to act as leaders, assigning and directing work of other employees, will be paid twenty-four cents (24¢) per hour above the highest rated mechanic's position under their direction. Bulletin Rule 12 to govern.

(See Side Letter No. 5)

RULE 27. GRIEVANCES. (a) All claims or grievances must be presented in writing by the duly authorized local committee or their representatives, to the officer of the Carrier authorized to receive same, within 60 days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, the Carrier shall, within 60 days from the date same is filed, notify whoever filed the claim or grievance in writing of the reasons for such disallowance. If not so notified, the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Carrier as to other similar claims or grievances.

(b) If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within 60 days from receipt of notice of disallowance, and the representative of the Carrier shall be notified in writing within that time of the rejection of his decision. Failing to comply with this provision, the matter shall be considered closed, but this shall not be considered as a precedent or waiver of the contentions of the employees as to other similar claims or grievances. It is understood, however, that the parties may, by agreement, at any stage of the handling of a claim or grievance on the property, extend the 60-day period for either a decision or appeal, up to and including the highest officer of the Carrier designated for that purpose.

(c) The requirements outlined in paragraphs (a) and (b), pertaining to appeal by the duly authorized representative of the employee and decision by the Carrier, shall govern in appeals taken to each succeeding officer, except in cases of appeal from the decision of the highest officer designated by the Carrier to handle such disputes. All claims or grievances involved in a decision by the highest designated officer shall be barred unless within nine months from the date of said officer's decision proceedings are instituted by his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3 Second of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the 9 months' period herein referred to.

(d) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under this rule, be fully protected by the filing of one claim or grievance based thereon as long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than sixty (60) days prior to the filing thereof. With respect to claims and grievances involving an employee held out of service in discipline cases, the original notice of request for reinstatement with pay for time lost shall be sufficient.

(e) This rule recognizes the right of representatives of the Organizations, parties hereto, to file and prosecute claims and grievances for and on behalf of the employees they represent.

(f) This agreement is not intended to deny the right of the employees to use any other lawful action for the settlement of claims or grievances provided such action is instituted within nine months of the date of the decision of the highest designated officer of the Carrier.

(g) This rule shall not apply to requests for leniency.

RULE 28. PENDING DECISION - GRIEVANCES. Prior to assertion of grievances as herein provided, and while questions of grievances are pending, there will neither be a shut-down by the employer nor a suspension of work by the employees.

RULE 29. DISCIPLINE. (a) An employee shall not be disciplined or dismissed from service, except as provided for in Rule 30, without a fair and impartial hearing, unless such employee shall accept such discipline in writing and waive formal hearing. Such waiver must be made in the presence of a duly authorized representative of the Organization, on the form agreed to and made a part of this agreement. Discussion of the waiver shall not constitute an admission of guilt by the employee or prejudgment by the Carrier and may not be made part of the hearing record.

Suspension pending a hearing will not be permitted except in serious cases such as use of intoxicants or drugs while on duty, theft of Carrier property, gross insubordination or vicious conduct.

If an employee is held out of service pending a hearing and decision, and if discipline is assessed, the period so held from service shall be deemed to be included in any disciplinary period thereafter involved. If no discipline is assessed, the employee shall be reinstated promptly with seniority rights and vacation benefits unimpaired and shall be made whole for all wage loss.

(b) Notice of such hearing, stating the precise charge or charges, will be given to the employee in writing within ten days from the time the Carrier has knowledge of the offense(s) under investigation. A copy of such notice will be furnished to the duly authorized representative. Any portion of the employee's past work record to be cited at the hearing shall be given to the employee with the notice of hearing. The Carrier shall furnish the duly designated representative copies of all written statements to be presented at the hearing at least twenty-four (24) hours prior to the hearing.

(c) The hearing shall be held within ten days from the date of the notice apprising the employee of the precise charges against him unless it has been postponed by request of either the employee, the duly authorized representative, or the Carrier.

If the hearing is not held within the specified time, no action will be taken by the Carrier on the charge(s) and no notation shall be entered on the employee's record.

(d) The employee shall have reasonable opportunity to secure the presence of necessary witnesses and shall have the right to be represented by the duly authorized Committee. The employee charged and the duly authorized representatives shall have the right to be present throughout the entire hearing and shall be permitted to examine and cross-examine all witnesses.

(e) Hearing will be held at the charged employee's headquarters, the location where the alleged incident occurred, or in the absence of available office space and a stenographer at the above locations, at the nearest point where these conditions can be met, unless an alternate site is mutually agreeable to the Hearing Officer and the duly authorized representative.

(f) Hearing will be held without loss of time to the Committee, not to exceed two.

(g) The decision shall be rendered and transmitted in writing to the employee, with copy to the duly authorized representative, within ten days after completion of the hearing. If a decision is not rendered within the specified time, no action will be taken by the company and the employee's record will be cleared.

A transcript will be made of the hearing and a copy shall be furnished the employee and the duly authorized representative at the time the decision is rendered, if discipline is assessed. The employee and/or his duly authorized representative shall have the right to record the proceedings of the hearing. This provision will not be used to delay or postpone the hearing.

If discipline is not assessed, all correspondence and reference to the charges and formal hearing will be cleared from the employee's record.

(h) An employee dissatisfied with the decision of the hearing shall have the right to appeal, either in person or through a duly authorized representative, provided written claim or grievance is presented directly to the highest officer of the Carrier designated to handle disputes under the Railway Labor Act within sixty (60) days from the date of receipt of the decision rendered. The preliminary appeal steps in the various agreements are waived. Except as provided in this paragraph, the provisions of the applicable time limit on claims rules govern.

The above paragraph shall not apply to requests for leniency, which must be handled with the appropriate division officer.

Following appeal, if the final decision determines that the charge(s) against the employee are not sustained or the discipline is excessive, the record shall be cleared or the discipline reduced or modified; if suspended or dismissed, the employee shall be reinstated promptly with seniority rights and vacation benefits and rights unimpaired and shall be made whole for all wage loss incurred during the time period discipline is held to be improper or excessive.

An employee who is suspended or dismissed from service and is thereafter awarded full back pay for all time lost as a result of such suspension or dismissal will be covered under all Health and Welfare benefits as if the employee had not been suspended or dismissed in the first place.

(i) The Hearing Officer(s) will not testify as a witness and his sole duty at the hearing will be to conduct the hearing in a fair and impartial manner.

(j) The posting of any document to the employee's record that might adversely affect such employee in a disciplinary hearing shall not be permitted unless such employee is furnished a copy and acknowledges receipt.

Should the employee disagree with or dispute the validity of such document, the employee may:

- (1) Refute in writing within ten days of receipt of such document and such shall be made part of the employee's personal record along with the original document, or
- (2) Request and be entitled to a hearing, as provided in this rule, provided such request is made within ten days of receipt of such document. If the hearing reveals the document is unjust, it shall be removed from the employee's record.

This paragraph does not apply to any document dated prior to this agreement.

(k) An employee notified by the Carrier to appear as witness at an investigation will be compensated at his applicable rate of pay for all time missed from his assignment, and at the rate of time and one-half on a minute basis for all time held after and continuous with his regular assignment. Time shall be considered continuous where the interval of release between completion of assignment and time required to report for investigation is less than one hour. Where required to appear as witness at an investigation at times other than as specified above and on other than rest days will be compensated on a minute basis from time ordered to report until released at time and one-half rate, with a minimum of two hours. If used as such on a rest day he will be allowed a minimum of four hours at rate and one-half.

RULE 30. APPLICANTS. (a) Applicants for employment may be terminated without formal hearing by disapproval of application within sixty (60) calendar days after the applicant begins work. After sixty (60) days applicant shall be considered competent.

(b) An employee who has been accepted for employment in accordance with (a) above, will not be terminated or disciplined by the Carrier for furnishing information in connection with an application for employment or for withholding information unless the information involved was of such a serious nature that the employee would not have been hired if the Carrier had had timely knowledge of such information.

(c) Copy of record of previous experience of applicants, as set forth in applicable agreements, and as recorded on application shall be furnished to local chairman.

RULE 31. COMMITTEES. (a) The Carrier will not discriminate against any representatives (including committeemen) who are delegated to represent employees covered by this agreement, and will grant them leave of absence and the same consideration in granting free transportation as is granted representatives and committeemen of employees in other branches of service.

(b) All conferences between local officials and local committee are to be held during regular working hours without loss of time to committeemen, and a written record of such conference shall be made.

RULE 32. PHYSICAL EXAMINATIONS. (a) Employees coming within the scope of this agreement will not be required to take physical examinations unless it is apparent that the employee's health or physical condition is such that an examination should be made. So far as is possible, physical examinations ordered by the Carrier at its expense shall be conducted during regular working hours.

(b) For those employees who are physically disqualified by the Chief Medical Officer and who disagree with the findings, the following procedure is established.

- (1) When an employee is found by the Chief Medical Officer to be physically disqualified, he shall be notified in writing by the Chief Medical Officer of the specific medical reason for the findings. If the employee questions the findings, he or his representative shall, within sixty (60) days (the last thirty days of which the Carrier will be exempted from any potential liability) of his notification of physical disqualification, notify the Director, Labor Relations in writing of an appeal and submit to the Chief Medical Officer a statement of medical evidence from the physician of the employee's choice, with respect to those matters on which he was found disqualified. Should the Chief Medical Officer continue of the opinion that the employee is still physically disqualified, he shall notify the employee in writing within fifteen (15) days. If the Chief Medical Officer agrees with the medical statement from the employee's physician, the employee shall be returned to service, and be made whole for wages lost, except for the thirty (30) day exemption period mentioned above.
- (2) Should the employee disagree with the Chief Medical Officer's decision following the latter's review of the medical evidence presented, he or his representative may, provided he does so within fifteen (15) days after receipt of the decision, request a three-doctor panel, which shall be established as promptly as possible

after receipt of his request. The panel shall be composed of a doctor of the employee's choice, a doctor of the Carrier's choice, and a doctor selected by the other two. The partisan doctors may present to the third doctor any evidence bearing on the dispute they consider pertinent. The panel shall determine within thirty (30) days of its establishment whether the employee's physical condition meets standards reasonably related to the position the employee can hold in accordance with his seniority. A majority decision shall govern.

- (3) Expenses involved in the application of the rule will be handled by the Carrier paying its doctor, the employee paying the doctor of his choice, and the expenses of the third doctor including such X-rays, laboratory examinations, as he may require being divided equally between the company and the employee involved.
- (4) An employee returned to service on the basis of the decision of the three-doctor panel will be made whole as to wages lost [with the exception of the thirty-day exemption period mentioned in Paragraph (1)] due to disqualification in the event the three-doctor panel concludes his condition did not warrant disqualification.
- (5) Should the three-doctor panel find the employee physically disqualified, the employee may, when he considers his physical condition warrants and submits to the Chief Medical Officer medical statements in support thereof, invoke again the procedures outlined hereinbefore except that he shall not do so earlier than six (6) months after the decision of the three-doctor panel. If the employee's physical condition has improved to the extent he is found to be qualified, he will be physically qualified to work but will not be made whole for loss of earnings incurred during the period of disability.
- (6) In the event the employee or his representative does not appeal the Chief Medical Officer's decision within the time limit specified herein, he shall be considered as having accepted the decision until after a minimum six (6) month interval, at which time he may again present himself for examination by the Carrier doctor, in which event the procedure described hereinabove shall be followed. Should the Chief Medical Officer fail to meet the time limit specified in the penultimate sentence of Paragraph (1), the employee shall be made whole as to wage loss between the date the Chief Medical Officer should have made his decision and the date the employee receives his decision.

RULE 33. SANITATION. Good drinking water, properly cooled by ice or other means, will be furnished. Sanitary drinking fountains will be provided where necessary. Pits and floors, lockers, toilets and washrooms will be kept in good repair and in a clean, dry and sanitary condition.

Shops, locker rooms and washrooms will be lighted and heated in the best manner possible consistent with the source of heat and light available at the point in question.

Locomotive washing machines will not be used inside roundhouses to wash locomotives, except where space is used for washing only and work on locomotives is not performed in such space.

The management, with the cooperation of the employees, will keep shops and yards in a clean and sanitary condition and all machinery and tools in a safe and working condition.

RULE 34. PERSONAL INJURIES. Employees injured while at work will not be required to make accident reports before they are given medical attention, but will make them as soon as practicable thereafter. When able, employees will be permitted to return to work without signing release pending final settlement of the case. Employees will be furnished copy of accident report.

RULE 35. NOTICES. A place will be provided inside all shops and roundhouses where proper notices confined to subjects in which the management and organizations, parties to this agreement, are mutually interested, may be posted.

RULE 36. COMMUTER PASSES. Employees of the Carrier subject to this Agreement and duly accredited representatives of such employees shall be entitled to free commuter transportation consistent with State Law and/or Agreements providing for the assumption and operation of commuter services of NIRC.

RULE 37. PROTECTION TO EMPLOYEES. Employees will not be required to work on engines or cars outside of shops during inclement weather, if shop room or pits are available. This does not apply to work in engine cabs or emergency work on engines or cars set out for or attached to trains. When it is necessary to make general repairs to engines, boilers, tanks and tank cars such parts shall be cleaned before mechanics are required to work on same. This will also apply to cars undergoing general repairs.

All acetylene or electric welding or cutting will be protected by a suitable screen when its use is required.

Employees will not be assigned to jobs where they will be exposed to sand blast and paint blowers while in operation.

No employee will be required to work under a locomotive or car without being protected by proper signals.

Where the nature of the work to be done requires it, locomotives and passenger cars will be placed over a pit, if available.

RULE 38. HELP TO BE FURNISHED. Mechanics and apprentices will be furnished sufficient competent help. When experienced helpers are available, they will be used in preference to inexperienced men.

RULE 39. SCRAPPING EQUIPMENT. Work of scrapping engines, boilers, tanks, and cars and other machinery will be done by mechanics and helpers of their respective crafts under the direction of a mechanic or foreman, except that the operation of the cutting torch shall be performed by mechanics or helpers.

RULE 40. CHECKING IN AND OUT. All employees are required to be ready for work at the starting time of their assignment and remain on the property unless otherwise directed by the Carrier until assigned quitting time or released after performing overtime work consistent with provisions of Rule 5. Ten minutes at the end of an employee's workday shall be allocated for wash-up and preparation of incidental service reports.

RULE 41. PORTABLE CRANES. Portable cranes used in the Mechanical Department may be operated by any mechanic, apprentice or helper, if required in the performance of their duties.

RULE 42. ROLLING AND BUMPING. The exercising of seniority to displace junior employees, which practice is usually termed "Rolling" or "Bumping", will not be permitted.

RULE 43. APPRENTICES. All apprentices must be able to speak, read, and write the English language and understand at least the first four rules of arithmetic. If retained in the service at the expiration of their apprenticeship, they shall be paid not less than the minimum rate established for journeymen mechanics of their craft. Apprentices shall not work on oxyacetylene, thermit, electric or other welding processes until they are in the last two periods of their apprenticeship.

RULE 44. INDENTURE-APPRENTICES. (a) All apprentices must be indentured and shall be furnished with a duplicate of indenture by the Carrier, which will also furnish every opportunity possible for the apprentice to secure a complete knowledge of the trade. Points at which apprentices may be started will be designated and subject to change as conditions change. No apprentice will be started at points where there are not adequate facilities for learning the trade. Form of Indenture follows:

FORM OF INDENTURE	
This will certify that _____ was employed as a _____ apprentice by the Northeast Illinois Regional Commuter Railroad Corporation at _____ on _____ (Month) _____ (Day), 20 _____ (Year), to serve _____ periods, a minimum of _____ each.	
_____ (Title of Officer in Charge)	

This will certify that on _____ (Month) _____ (Day), 20 _____ (Year), _____	
completed the course of apprenticeship specified above and is entitled, if employed by the Northeast Illinois Regional Commuter Railroad Corporation, to the rates of pay and conditions of service of _____.	
_____ (Title of Officer in Charge)	

(b) The conditions and training provided apprentices under this Agreement are defined in Appendix H.

RULE 45. JURY DUTY. When a regularly assigned employee is summoned for jury duty and is required to lose time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his position for each day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations:

- (a) An employee must furnish the Carrier with a statement from the court of jury allowances paid and the days on which jury duty was performed.
- (b) The number of days for which jury duty pay shall be paid is limited to a maximum of sixty (60) days in any calendar year.
- (c) No jury duty pay will be allowed for any day as to which the employee is entitled to vacation or holiday pay.
- (d) When an employee is excused from railroad service account of jury duty the Carrier shall have the option of determining whether or not the employee's regular position shall be blanked, notwithstanding the provisions of any other rules.
- (e) An employee will not be required to work on his assignment on days on which jury duty ends within four hours of the start of his assignment.
- (f) When an employee reports for jury service on a scheduled work day, he/she will be excused from working his/her regular shift without loss of regular compensation as outlined in the first paragraph of this rule, regardless of when released from jury service.

RULE 46. SAFETY ITEMS. Employees will be furnished any safety items required by the Carrier, necessary for the safe and proper performance of work.

RULE 47. PRINTED SCHEDULE. The Carrier will have printed, in book form, copies of this Agreement and upon request and signing receipt therefor will furnish a copy to employees affected.

RULE 48. NON-DISCRIMINATION. (a) The provisions of this Agreement shall be applied to all employees covered by said Agreement without regard to race, creed, color, age, sex, national origin or physical handicaps, except in those cases where a bonafide occupational qualification exists.

(b) In application of paragraph (a) hereof, the parties acknowledge that each is subject to the Americans with Disabilities Act.

(c) The masculine terminology included herein is for the purpose of convenience only and does not designate sex preference.

RULE 49. EMPLOYEE PROTECTION. Employees covered by this Agreement shall be subject to the obligations, conditions, and benefits contained in the RTA Protective Agreement of June 3, 1977, a copy of which will be furnished upon written request.

RULE 50. VACATIONS. Vacations with pay will be granted to employees covered by this Agreement under and in accordance with the terms and provisions of the National Vacation Agreement of December 17, 1941, as amended, appended hereto as Appendix B.

RULE 51. HEALTH AND WELFARE. During the term of this Agreement, the Carrier shall remit in their entirety such premiums per qualifying employee as necessary to continue in force such

nationally-negotiated Health and Welfare coverages as applicable to the Organization pursuant to its agreement with the National Carriers' Conference Committee; including specifically those coverages as currently provided under GA23000, GP12000, GA46000, R-5000 Supplemental Sickness, National Vision Plan, and Off-Track Vehicle Accident Plan.

Booklets made available to the Carrier describing the plans and benefits of these coverages will be furnished the affected employees by the Carrier.

RULE 52. OFF-TRACK VEHICLE ACCIDENT PLAN. Provisions covering payments made to employees injured under certain circumstances shall be applicable to the employees covered by this Agreement and the coverage thereunder is contained in Appendix C.

RULE 53. SUPPLEMENTAL SICKNESS. Provisions covering supplemental sickness benefits contained in the March 29, 1979, National Agreement, as amended, are applicable to employees covered by this Agreement.

RULE 54. UNION SHOP AND DUES DEDUCTION AGREEMENT. Text of the Union Shop and Dues Deduction Agreement applicable to employees covered by this Agreement is contained in Appendix D.

RULE 55. SUBCONTRACTING WORK. The subcontracting of work covered by this Agreement shall be governed by Appendix E.

RULE 56. BEREAVEMENT LEAVE AND INTERPRETATIONS. Bereavement leave, not in excess of three consecutive work days, shall be allowed upon the death of an employee's spouse, child, brother, sister, parent, grandparent, grandchild, stepparent, stepparent-in-law, stepchild, or spouse's parent.

An employee absent from his assignment as a result of bereavement leave will be paid for eight hours at the straight-time rate for his position for each day lost during bereavement leave. Employees will make provision for such leave with their supervising official in the usual manner. Any restrictions against blanking jobs or realigning forces shall not be applicable when an employee is absent under this provision.

INTERPRETATIONS

Q-1: What are an employee's options in deciding when to take bereavement leave?

A-1: The employee may elect to commence the bereavement leave on the date of death or on any work day within ten (10) calendar days after the date of death. For example: when the death occurs on June 1, the employee could elect to commence the three bereavement days on June 1. The employee could also elect to commence the three days on any work day from June 2 through June 11.

Q-2: How will an employee's regular days off affect the "three consecutive work days" allowed for bereavement leave?

A-2: The "three consecutive work days" will be considered days on which the employee would otherwise have worked. For example: an employee who has a regular Monday through Friday assignment with Saturday and Sunday off would be eligible to take his three bereavement days on Thursday and Friday of one week and Monday of the following week. The employee's regular days off will not be considered in determining the three consecutive work days.

Q-3: When an employee exercises his rights in moving to a new assignment, but has not actually started working on the new assignment prior to taking bereavement leave, what assignment will be used as the basis for the employee's compensation for the bereavement days?

A-3: The employee will be allowed the same compensation he would have earned had he worked on the new assignment.

Q-4: Will a day on which an employee receives compensation under Rule 56 count as a qualifying day for purposes of holiday pay?

A-4: No. When an employee is absent for bereavement leave, however, it will be considered the same as being absent for vacation. Accordingly, the first work day preceding or following the bereavement leave, as the case may be, will be considered as the qualifying day for purposes of holiday pay.

Q-5: Would an employee be entitled to bereavement leave in connection with the death of a half-brother or half-sister, stepbrother or stepsister?

A-5: Yes as to half-brother or half-sister, no as to stepbrother or stepsister. However, the rule is applicable when a family relationship, as set forth in the Rule, is established through the legal adoption process.

Q-6: Does the three work days allowance pertain to each separate instance, or do the three (3) work days refer to a total of all instances?

A-6: The Rule provides for employees to be allowed three work days for each separate death. However, in all cases, the bereavement leave must commence within ten calendar days of the date of death. For example, two grandparents of an employee die on June 1. The employee would be entitled to a total of six bereavement days, which must commence no later than June 11.

RULE 57 A. SICK LEAVE. (a)(i) Beginning January 1, 1994, employees who have completed one or more years of continuous service will be provided supplemental sickness benefits of three sick benefit days each calendar year. Such supplemental sickness benefits will be paid on a daily basis to an eligible employee who is absent from work due to a bona fide case of sickness. This daily benefit amount will be paid at the regular rate of the employee's position, or the protected rate, whichever is higher.

(ii) Where employees are regularly required to work their eight hour assignments on their rest days and/or holidays, when they are absent due to sickness on such days, the designated

holidays and assigned rest days will be considered as working days for the purpose of applying this Rule; however, the absent employee will be allowed supplemental benefits based only straight time rate for the time lost on such days.

(b)(i) The sick benefit days provided in paragraph (a) hereof which remain unused at the end of each calendar year will be placed into a supplemental "Sick Leave Reserve Account."

(ii) The first thirty (30) days placed into the supplemental Sick Leave Reserve Account shall be used solely as a means to supplement benefits payable under the sickness benefit provisions of the Railroad Unemployment Insurance Act, as now or hereafter amended, only to the extent provided in this Rule and not to replace or duplicate benefits provided under the Act.

(iii) Upon notice from the U.S. Railroad Retirement Board to the Carrier that an employee has filed an eligible claim for Railroad Unemployment Insurance benefits, the Carrier shall allow the employee to utilize any paid sick days that have been accumulated in their Sick Leave Reserve Account for purposes of providing supplemental sickness benefits to supplement benefits payable for days of sickness under the Railroad Unemployment Insurance Act, or for days in the waiting period, or for days after an otherwise eligible employee has exhausted his or her Railroad Unemployment Insurance Act benefits and benefits payable under Group Policy R-5000 (Supplemental Sickness Benefit Plan for Railroad Shop Craft Employees).

NOTE: The Supplemental Sickness benefit may also be used by an employee who does not have qualifying compensation under RUIA to be eligible for RUIA benefits.

(iv) The supplemental benefit payment for any calendar day under this plan shall not exceed the straight-time daily rate of the employee's position or the protected rate whichever is higher, and to be reduced by the amount of RUIA benefits and by R-5000 benefits, if any, payable for the same day.

(v) Any additional days placed into the supplemental Sick Leave Reserve Account over and above the first thirty (30) days as set forth in subparagraph (ii) hereof may also be used to supplement benefits payable under the sickness benefit provisions of the Railroad Unemployment Insurance Act. In addition, with respect to days thirty-one (31) through ninety (90) that are placed into the supplemental Sick Leave Reserve Account, the following options shall apply:

(1) The employee can leave the accumulated days in excess of thirty (30) in his or her Reserve Account, and upon permanent separation from the Carrier, the employee will receive a cash payment equal to thirty percent (30%) of the accumulated excess days. In the case of the employee's death, such payment will be made to the employee's beneficiary. The straight time rate of pay of the regularly assigned position held at the time of separation shall be used in calculating the amount due under this paragraph.

EXAMPLE: Employee has a total of ninety (90) days in the Reserve Account upon permanent separation from the Carrier. The employee would receive thirty percent (30%) of sixty (60) days (the excess number of days over thirty[30]) which is equal to the cash equivalent of eighteen (18) day's pay.

OR

(2) The employee can receive a cash payment equal to twenty-five percent (25%) of the unused days remaining at the end of the calendar year from that year's annual allotment of five personal leave days (per Rule 58B) and three sick leave days. The straight time rate of pay of the regularly assigned position held at the time shall be used in calculating the amount due under this paragraph.

EXAMPLE: Employee ends the year with four unused days from the year's annual allotment of paid personal and/or sick days. The employee would receive twenty-five (25%) of 4 days, which is equal to the cash equivalent of one day's pay.

(vi) After accumulating more than ninety (90) days in the supplemental Sick Leave Reserve Account, the same conditions as set forth in subparagraph (v) hereof shall apply, except that the cash payment received upon permanent separation from the Carrier shall be equal to fifty percent (50%) of the accumulated excess days.

EXAMPLE: Employee has a total of one hundred ten (110) days in the Reserve Account upon permanent separation from the Carrier. The employee would receive fifty percent (50%) of eighty (80) days (the excess number days over thirty [30]), which is equal to the cash equivalent of forty (40) days' pay.

(c) Additional sick benefit days may be earned and placed into the Sick Leave Reserve Account at the rate of one day per each six months of perfect work attendance, which is defined as having no absences during the period except as otherwise provided under applicable vacation, holiday, personal leave, or other authorized paid non-sick leave provisions. In any six-month period where the employee utilizes a sick benefit day, or has any unpaid or unauthorized absence, no incentive sick benefit day will be earned for that period.

(d) It will be optional with the Carrier to fill, partially fill, or not fill the position of an employee who is absent on account of his personal sickness and is receiving an allowance under this Rule. If the Carrier elects to fill the position in its entirety, appropriate Rules of the Agreement will be followed. The use of other employees on duty and on other positions to perform the duties of the employee absent under this Rule is permissible.

(e) The sick benefit days as provided under this rule will be used only for bona fide personal illness or injury and for no other purpose. Abuse or misuse of the benefits provided herein will be subject to investigation.

(f) No supplemental benefit will be paid under this Rule for any day on which the employee is entitled to compensation under any other rule or agreement.

(See Side Letter Nos. 7, 8, 9 and 10)

RULE 57 B. PERSONAL LEAVE. (a) Beginning January 1, 1994, employees who have met the qualifying vacation requirements during the preceding calendar year under vacation rules in effect on January 1, 1982 shall be entitled to five personal leave days for use during each calendar year.

(b) Personal leave days provided in paragraph (a) hereof may be taken upon forty-eight (48) hours advance notice from the employee to the proper Carrier Officer provided; however, such days may be taken only when consistent with the requirements of the Carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.

(c) Personal leave days will be paid for at the regular rate of the employee's position or the protected rate, whichever is higher.

(d) The Carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The Carrier will have the right to distribute work on a position vacated among other employees covered by the Agreement with the Organization signatory hereto.

(e) The personal leave days provided in paragraph (a) hereof which remain unused at the end of each calendar year will be placed into a supplemental "Sick Leave Reserve Account," as provided for under Rule 58 A. SICK LEAVE.

(See Side Letter No. 6)

RULE 58. RATES OF PAY. Rates of pay of employees covered by this Agreement are those contained in Appendix G and shall remain in effect until changed as provided for herein or by future Agreement. Bulletin notice of changes in rates of pay based on future general and cost of living adjustments will be posted on bulletin boards accessible to employees covered by this Agreement, copy to the General Chairman.

RULE 59. MACHINISTS QUALIFICATIONS. (a) Any person 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, and competent to do either sizing, shaping, turning, boring, planing, grinding, finishing or adjusting the metal parts of any machine or locomotive, shall constitute a machinist.

(b) In application of paragraph (a) hereof, applicants for employment as Machinists shall provide appropriate and reasonable documentation, satisfactory to both the Carrier and the Organization, that they have successfully completed their apprenticeship or have four (4) or more years of experience as a journeyman.

RULE 60. 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, shaping, polishing, milling, slotting, grinding and laying out of all metals or other materials, including synthetics, of 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) Generator plants and power houses, shop cranes, internal combustion engines, air compressors, turbines, mechanical drive mechanisms, blowers, superchargers, turbo-chargers, steam generators, traction motors, pumps, jacks, hoists, elevators, cranes, locomotive air brake systems and hydraulic brake systems, fuel injector systems, lubricator systems, air motors, rubber-tired platform equipment, pneumatic tools, mechanical tools, hydraulic tools, electrically operated tools, internal drive systems, air conditioning compressors and blowers; turntables, transfer tables, drop tables and other machinery;
- (3) Equipment, components and appurtenances such as, but not limited to, pinions, belt sheaves, mechanical couplings, shafting, governors, 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, jig making and metal pattern making for castings.

(c) Machining by any process, pressing and repairing wheels, axles and bearings; removing and applying wheel sets for locomotives.

(d) Applying and removing locomotive equipment, components and appurtenances such as main generators, alternators, starter motors, auxiliary generators, traction motors, journal boxes, roller bearing adaptor boxes, end caps and adaptors for axle driven equipment, blower motors, shop electric motors on shop machinery, cooling fan motors, hand rails and grab irons, pilot beams, guards, exhaust systems and manifolds.

(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 oxyacetylene, electric, thermit, heli-arc, TIG, or any other process, on work that is Machinists' work.

(f) Removing, replacing, grinding, bolting and breaking of joints on super heaters.

(g) Operating all tools and machines used in Magna Fluxing, bearing inspecting, sand blasting, governor testing and load testing in the performance of Machinists' work.

(h) Dismantling and scrapping of locomotives and machinery for reclamation.

(i) Operating mobile cranes, pendant cranes, shop vehicles, highway vehicles and all other machinery used in the performance of Machinists' work.

(j) All other work generally recognized as Machinists' work.

(See Side Letter No. 2 and 3 in Side Letter's section and Side Letter No. 3 of Appendix J for application on MED)

RULE 61. MACHINIST APPRENTICES. Include regular and special apprentices in connection with work as defined in Rule 60.

RULE 62. MACHINIST HELPERS - CLASSIFICATION OF WORK. Helper's work shall consist of helping machinists and apprentices. Operating drill presses (plain drilling) and bolt threaders not using facing, boring or turning head or milling apparatus; wheel presses (on car or engine truck wheels) nut tappers and facers, bolt pointing and centering machines, car brass boring machines, twist drill grinders, automatic tool grinders; attending tool room, machinery oiling, locomotive oiling, box packing, applying and removing engine truck and trailer brasses and applying all couplings, assisting in dismantling locomotives and engines; and all other work generally recognized as helper's work.

NOTE: Where drill press is located in roundhouse and no regular operator is assigned, anyone may use it.

RULE 63. ASSIGNMENT OF RUNNING REPAIR FORCES TO DEAD WORK. Machinists, apprentices and helpers assigned to running repairs shall not be required to work on dead work at points where dead work forces are maintained except when there are not sufficient running repairs to keep them busy.

RULE 64. DEAD WORK AND RUNNING REPAIR FORCES. Dead work forces will not be assigned to perform running repair work, except when the regularly assigned running repair forces are unable to get engines out in time to prevent delay to train movement.

RULE 65. WORK AT WRECKS. In case of wrecks where engines are disabled, machinist and helper, if necessary, shall accompany the wrecker.

RULE 66. DIFFERENTIALS FOR MACHINISTS. Machinists required to swear to Federal Reports covering such inspection in connection with other work will be allowed twenty-four cents (24¢) per hour above the machinists' minimum rate for the days on which such inspections are made.

RULE 67. EMPLOYEE INFORMATION. The Carrier will provide the General Chairman with a list of the employees who are hired or terminated, together with their home addresses and, if available, Social Security numbers, otherwise the employees' identification numbers. The data will be furnished within thirty (30) days of the end of the month in which the employee is hired or terminated. Information will be provided relative to ongoing Status Change, for each employee as it occurs.

RULE 68. DATE EFFECTIVE AND CHANGES. (a) This Agreement, together with its Appendices, shall comprise the collective bargaining Agreement between the Northeast Illinois Regional Commuter Railroad Corporation and its machinists represented by the International Association of Machinists and Aerospace Workers.

(b) This Agreement shall remain in effect through December 31, 2012 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties to this Agreement shall neither serve nor progress prior to April 1, 2012 (not to become effective until January 1, 2013) any notice or proposal to amend or change any provision of this Agreement or its Appendices, or any matters not covered by this Agreement or its Appendices. This provision will not preclude the parties from agreeing upon any subject of mutual interest.

(d) It is also agreed that the parties will be governed by a savings clause; i.e., that all misprints, errors, or unintentional omissions will be governed by the original documents upon which this Agreement was reproduced.

APPENDIX A

NATIONAL NON-OPERATING HOLIDAY PROVISIONS

The following represents a synthesis of the current holiday provisions of the National Agreement applicable to non-operating crafts, as amended. The synthesis reflects all prior revisions and modifications and is intended to summarize current provisions as of January 1, 2009.

This appendix is intended as a guide and is not to be construed as constituting a separate agreement between the parties. If any dispute arises as to the proper interpretation or application of any provisions, the terms of the original source agreement shall govern.

Section 1. Subject to the qualifying requirements as set forth below, each hourly and daily rated employee shall receive eight hours' pay at the pro rata hourly rate for each holiday enumerated below:

New Year's Day
President's Day
Good Friday
Memorial Day
Fourth of July
Labor Day

Thanksgiving Day
Day After Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve Day

Section 2. (a) For regularly assigned employees, holiday pay shall be at the pro rata rate of the position to which assigned.

(b) For other than regularly assigned employees, if the holiday falls on a day on which he would otherwise be assigned to work, he shall, if consistent with the requirements of the service, be given the day off and receive eight hours' pay at the pro rata rate of the position which he otherwise would have worked. If the holiday falls on a day other than a day on which he otherwise would have worked, he shall receive eight hours' pay at the pro rata hourly rate of the position on which compensation last accrued to him prior to the holiday.

(c) Subject to the applicable qualifying requirements as set forth below, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in Paragraph (b) above, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) he has had a seniority date for at least 60 calendar days or has 60 calendar days of continuous active service preceding the holiday beginning with the first day of compensated service, provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with union shop agreement, or disapproval of application for employment.

Section 3. (a) A regularly assigned employee shall qualify for the holiday pay provided in Section 1 hereof, if compensation paid him by the Carrier is credited to the workdays immediately preceding and following such holiday or if the employee is not assigned to work but is available for service on such days. If the holiday falls on the last day of a regularly assigned employee's workweek, the first workday following his rest days shall be considered the workday immediately following. If the holiday falls on the first workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

(b) Except as provided for herein, all others for whom holiday pay is provided in Section 1 hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one or the other of the following conditions:

- (1) Compensation for service paid by the Carrier is credited; or
- (2) Such employee is available for service.

NOTE: "Available" as used herein is interpreted by the parties to mean that an employee is available unless he lays off of his own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

(c) For the purposes of Section 1, other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the workday preceding and the workday following the holiday will have the workweek of the incumbent of the assigned position and will be subject to the same qualifying requirements respecting service and availability on the workdays preceding and following the holiday as apply to the employee whom he is relieving.

(d) Compensation paid under sick leave rules will not be considered as compensation for purposes of this rule.

(e) An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day if on the "workday" or the "day," as the case may be, immediately preceding the Christmas Eve holiday, he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday; and on the "workday" or the "day," as the case may be, immediately following the Christmas Day holiday, he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally.

(f) The holiday pay qualifications for Christmas Eve and Christmas Day, as set forth above, shall also be applicable to the Thanksgiving Day and Day After Thanksgiving and the New Year's Eve and New Year's Day holidays.

Section 4. Under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half payment for service performed by him on a holiday which is also a workday, a rest day, and/or a vacation day.

Section 5. When any of the recognized holidays enumerated in Section 1, or any day which by agreement or by law or proclamation of the State or Nation has been substituted or is observed in place of any of such holidays, falls during an hourly or daily rated employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for herein provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays" and "days" preceding and following the holiday for such qualification purposes.

APPENDIX B

NATIONAL NON-OPERATING VACATION PROVISIONS

The following represents a synthesis of the present vacation provisions of the National Agreement applicable to non-operating crafts, as amended. The synthesis reflects all prior revisions and modifications and is intended to summarize current provisions as of January 1, 2009.

This appendix is intended as a guide and is not to be construed as constituting a separate agreement between the parties. If any dispute arises as to the proper interpretation or application of any provision, the terms of the original source vacation agreement shall govern.

Section 1. (a) An annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

(b) An annual vacation of ten (10) consecutive workdays with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service, renders compensated service on not less than one hundred ten (110) days in each of two (2) of such years, not necessarily consecutive.

(c) An annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has eight (8) or more years of continuous service and who, during such period of continuous service, renders compensated service on not less than one hundred (100) days in each of eight (8) of such years, not necessarily consecutive.

(d) An annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one (100) days during the preceding calendar year and who has seventeen (17) or more years of continuous service and who, during such period of continuous service, renders compensated service on not less than one hundred (100) days in each of seventeen (17) such years, not necessarily consecutive.

(e) An annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-five (25) or more years of continuous service and who, during such period of continuous service, renders compensated service on not less than one hundred (100) days in each of twenty-five (25) of such years, not necessarily consecutive.

(f) Paragraphs (a), (b), (c), (d) and (e) hereof shall be construed to grant to weekly and monthly

rated employees, whose rates contemplate more than five days of service each week, vacations of one, two, three, four or five work weeks.

(g) Service rendered under agreements between the Carrier and one or more of the other Organizations representing non-operating employees shall be counted in computing days of compensated service and years of continuous service for vacation qualifying purposes under this Agreement.

(h) Calendar days in each current qualifying year on which an employee renders no service because of his own sickness or because of his own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days for an employee with less than three (3) years of service; a maximum of twenty (20) such days for an employee with three (3) but less than fifteen (15) years of service; and a maximum of thirty (30) such days for an employee with fifteen (15) or more years of service with the employing carrier.

(i) In instances where employees who have become members of the Armed Forces of the United States return to the service of the Carrier in accordance with the Military Selective Service Act of 1967, as amended, the time spent by such employees in the Armed Forces subsequent to their employment by the employing carrier will be credited as qualifying service in determining the length of vacations for which they may qualify upon their return to the service of the employing carrier.

(j) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the Carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year preceding his return to Carrier service renders compensated service on fewer days than are required to qualify for a vacation in the following calendar year, but could qualify for a vacation the year of his return to Carrier service if he had combined for qualifying purposes days on which he was in Carrier service in such preceding calendar year with days in such year on which he was in the Armed Forces, he will be granted, in the calendar year of his return to Carrier service, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d), or (e) and (i) hereof.

(k) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year of his return to Carrier service renders compensated service on fewer days than are required to qualify for a vacation in the following calendar year, but could qualify for a vacation in such following calendar year if he had combined for qualifying purposes days on which he was in Carrier service in the year of his return with days in such year on which he was in the Armed Forces, he will be granted, in such following calendar year, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d), or (e) and (i) hereof.

(l) An employee who is laid off and has no seniority date and no rights to accumulate seniority, who renders compensated service on not less than one hundred twenty (120) days in a calendar year and who returns to service in the following year for the same Carrier, will be granted the vacation in the year of his return. In the event such an employee does not return to service in the following year for the same Carrier, he will be compensated in lieu of the vacation he has qualified for, provided he files written request therefor to his employing officer, a copy of such request to be furnished to his duly designated representative.

Section 2. The terms of this agreement shall not be construed to deprive any employee of such additional vacation days as he may be entitled to receive under any existing rule, understanding or custom, which additional vacation days shall be accorded under and in accordance with the terms of such existing rule, understanding or custom.

An employee's vacation period will not be extended by reason of any of the recognized holidays as set forth under the General Agreement between the parties falling within his vacation period.

Section 3. (a) Vacations may be taken from January 1st to December 31st and due regard consistent with requirements of service shall be given to the desires and preferences of the employees in seniority order when fixing the dates for their vacations.

The local committee of the Organization signatory hereto and the representatives of the Carrier will cooperate in assigning vacation dates.

(b) The Carrier may upon reasonable notice (of thirty [30] days or more, if possible, but in no event less than fifteen [15] days) require all or any number of employees in any plant, operation, or facility, who are entitled to vacations, to take vacations at the same time.

The local committee of the Organization affected signatory hereto and the proper representative of the Carrier will cooperate in the assignment of remaining forces.

Section 4. Each employee who is entitled to vacation shall take same at the time assigned and while it is intended that the vacation date designated will be adhered to so far as practicable, the Carrier shall have the right to defer same provided the employee so affected is given as much advance notice as possible; not less than ten (10) days' notice shall be given, except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty (30) days' notice will be given affected employee.

If a carrier finds that it cannot release an employee for a vacation during the calendar year because of the requirements of the service, then such employee shall be paid in lieu of the vacation the allowance hereinafter provided.

Such employee shall be paid the time and one-half rate for work performed during his vacation period in addition to his regular vacation pay.

Section 5. The Carrier will provide vacation relief workers; however, the vacation system shall not be used as a device to make unnecessary jobs for other workers. Where a vacation relief worker is not needed in a given instance and if failure to provide a vacation relief worker does not burden those employees remaining on the job, or burden the employee after his return from vacation, the Carrier shall not be required to provide such relief worker.

Section 6. Allowances for each day for which an employee is entitled to a vacation with pay will be calculated on the following basis:

(a) An employee having a regular assignment will be paid while on vacation the daily compensation paid by the Carrier for such assignment.

(b) An employee paid a daily rate to cover all service rendered, including overtime, shall have no deduction made from his established daily rate on account of vacation allowances made pursuant to this agreement.

(c) An employee paid a weekly or monthly rate shall have no deduction made from his compensation on account of vacation allowances made pursuant to this agreement.

(d) An employee working on a piece-work or tonnage basis will be paid on the basis of the average earnings per day for the last two semi-monthly periods preceding the vacation, during which two periods such employee worked on as many as sixteen (16) different days.

(e) An employee not covered by paragraphs (a), (b), (c), or (d) of this section will be paid on the basis of the average daily straight time compensation earned in the last pay period preceding the vacation during which he performed service.

Section 7. The vacation provided for in this Agreement shall be considered to have been earned when the employee has qualified under paragraph 1 hereof. If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, non-compliance with a union-shop agreement, or failure to return after furlough, he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year if the employee has qualified therefor under paragraph 1. If an employee thus entitled to vacation or vacation pay should die, the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

Section 8. Vacations shall not be accumulated or carried over from one vacation year to another.

Section 9. (a) An employee designated to fill an assignment of another employee on vacation will be paid the rate of such assignment or the rate of his own assignment, whichever is the greater, provided that if the assignment is filled by a regularly assigned vacation relief employee, such employee shall receive the rate of the relief position. If an employee receiving graded rates, based upon length of service and experience, is designated to fill an assignment of another employee in the same occupational classification receiving such graded rates who is on vacation, the rate of the relieving employee will be paid.

(b) Where work of vacationing employees is distributed among two or more employees, such employees will be paid their own respective rates. However, not more than the equivalent of twenty-five per cent of the work load of a given vacationing employee can be distributed among fellow employees without the hiring of a relief worker unless a larger distribution of the work load is agreed to by the proper local union committee or designated representative.

(c) No employee shall be paid less than his own normal compensation for the hours of his own assignment because of vacations to other employees.

Section 10. While the intention of this agreement is that the vacation period will be continuous, the vacation may, at the request of an employee, be given in installments if the management consents thereto.

Section 11. (a) Except as otherwise provided in this agreement, the Carrier shall not be required to assume greater expense because of granting a vacation than would be incurred if an employee were not granted a vacation and was paid in lieu therefor under the provision hereof. However, if a relief worker necessarily is put to substantial extra expense over and above that which the regular employee on vacation would incur if he had remained on the job, the relief worker shall be compensated in accordance with existing regular relief rules.

(b) As employees exercising their vacation privileges will be compensated under this agreement during their absence on vacation, retaining their other rights as if they had remained at work, such absences from duty will not constitute "vacancies" in their positions under any agreement. When the position of a vacationing employee is to be filled and regular relief employee is not utilized, effort will be made to observe the principle of seniority.

(c) A person other than a regularly assigned relief employee temporarily hired solely for vacation relief purposes will not establish seniority rights unless so used more than 60 days in a calendar year. If a person so hired under the terms hereof acquires seniority rights, such rights will date from the day of original entry into service unless otherwise provided in existing agreements.

Section 12. The parties hereto agree that the duly authorized representatives of the employees and the proper officer of the Carrier may make changes in the working rules or enter into additional written understandings to implement the purposes of this agreement, provided that such changes or understandings shall not be inconsistent with this agreement.

Section 13. Any dispute or controversy arising out of the interpretation or application of any of the provisions of this agreement shall be subject to appropriate national handling consistent with the provisions of the Railway Labor Act, as amended.

Section 14. This agreement shall remain in effect until such time as it may be revised as a result of applicable national negotiations.

SPLIT VACATION AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinist and Aerospace Workers

IT IS AGREED:

Section 1. Effective January 1, 2008, employees subject to this Agreement who have qualified for more than one week of paid vacation may elect to split their vacation and take up to two weeks of vacation time in single day increments. The election to split vacation time must be made at the time vacations are assigned for the year. Accordingly, as an example, an employee entitled to four weeks of vacation during calendar year 2008 could elect, when vacations are scheduled in 2007, to split one week or two weeks of vacation for use one day at a time. The remaining two or three weeks of vacation, as the case may be, would be assigned in the normal manner.

Section 2. Each split week of vacation will provide for five (5) single days of vacation.

Section 3. Vacation time taken in single day increments will be requested and granted in a manner consistent with the procedures set forth under the October 1, 1986 General Agreement for requesting and granting personal days. Specifically, single vacation days may be taken upon forty-eight (48) hours advance notice from the employee to the proper Carrier officer provided, however, such days may be taken only when consistent with the requirements of the Carrier's service.

Section 4. Single vacation days will be paid for at the regular rate of the employee's position, or the protected rate, whichever is higher.

Section 5. The Carrier will have the right to fill or not fill the position of an employee who is absent for a single day of vacation. The rules of the October 1, 1986 General Agreement will apply when the Carrier elects to fill the employee's position. The Carrier will have the right to distribute the work of the employee's position among other employees covered by the General Agreement.

Section 6. During the first week of November of each year, the appropriate local Carrier officials and representatives of the Organization will meet to set the vacation dates for employees who have not taken all of their single vacation days for that calendar year.

Section 7. At the end of each calendar year, all unused vacation days from an employee's split vacation time will be placed in the employee's Sick Leave Reserve Account and will be handled thereafter under the provisions of Rule 58(A). Sick Leave.

Section 8. All other provisions regarding Rule 50. Vacations remain unchanged as specified in the General Agreement of October 1, 1986, as amended, and all existing practices with respect to the scheduling of vacations will continue to govern.

APPENDIX C

OFF-TRACK VEHICLE ACCIDENT PLAN

Pursuant to the National Agreement signed October 7, 1971, as amended, payments to employees injured under certain circumstances will be made in accordance with the following provisions:

Where employees sustain personal injuries or death under the conditions set forth in Section 1 below, the Carrier will provide and pay such employees, or their personal representative, the applicable amounts set forth in Section 2 below, subject to the provisions of other sections in this Appendix.

Section 1. Covered Conditions. This Appendix is intended to cover accidents involving employees covered by this agreement while such employees are riding in, boarding, or alighting from off-track vehicles authorized by the Carrier and are:

- (1) deadheading under orders, or
- (2) being transported at Carrier expense.

Section 2. Payment to be Made. In the event that any one of the losses enumerated in subsections (a), (b), and (c) below results from an injury sustained directly from an accident covered in Section 1 and independently of all other causes and such loss occurs or commences within the time limits set forth in subsections (a), (b), and (c) below, the Carrier will provide, subject to the terms and conditions herein contained, and less any amounts payable under Group Policy Contract GA-23000 of The Travelers Insurance Company or any other medical or insurance policy or plan paid for in its entirety by the Carrier, the following benefits:

(a) **Accidental Death or Dismemberment:** The Carrier will provide for loss of life or dismemberment occurring within 120 days after date of an accident covered in Section 1:

Loss of Life	\$300,000
Loss of Both Hands	\$300,000
Loss of Both Feet	\$300,000
Loss of Sight of Both Eyes	\$300,000
Loss of One Hand and One Foot	\$300,000
Loss of One Hand and Sight of One Eye	\$300,000
Loss of One Foot and Sight of One Eye	\$300,000
Loss of One Hand or One Foot or Sight of One Eye	\$150,000

"Loss" shall mean, with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints, with regard to eyes, entire and irrecoverable loss of sight.

No more than \$300,000 will be paid under this subsection to any one employee or his personal representative as a result of any one accident.

(b) **Medical and Hospital Care:** The Carrier will provide payment for the actual expense of medical and hospital care commencing within one hundred twenty (120) days after an accident covered under Section 1 of injuries incurred as a result of such accident, subject to limitation of \$3,000 for any employee for any one accident, less any amounts payable under Group Policy

Contract GA- 23000 of The Travelers Insurance Company or under any other medical or insurance policy or plan paid for in its entirety by the Carrier.

(c) **Time Loss:** The Carrier will provide an employee who is injured as a result of an accident covered under Section 1 commencing within thirty (30) days after such accident 80% of the employee's basic full-time weekly compensation from the Carrier for time actually lost, subject to a maximum payment of \$1,000.00 per week for time lost during a period of one hundred fifty-six (156) continuous weeks following such accident provided, however, that such weekly payment shall be reduced by such amounts as the employee is entitled to receive as sickness benefits under provisions of the Railroad Unemployment Insurance Act

(d) **Aggregate Limit:** The aggregate amount of payments to be made hereunder is limited to \$10,000,000 for any one accident and the Carrier shall not be liable for any amount in excess of \$10,000,000 for any one accident irrespective of the number of injuries or deaths which occur in or as a result of such accident. If the aggregate amount of payments otherwise payable hereunder exceeds the aggregate limit herein provided, the Carrier shall not be required to pay as respects each separate employee a greater proportion of such payments than the aggregate limit set forth herein bears to the aggregate amount of all such payments.

Section 3. Payment in Case of Accidental Death. Payment of the applicable amount for accidental death shall be made to the employee's personal representative for the benefit of the persons designated in, and according to the apportionment required by the Federal Employers Liability Act (45 U.S.C. 51 et sec. as amended), or if no such person survives the employee, for the benefit of his estate.

Section 4. Exclusions. Benefits provided under Section 2 shall not be payable for or under any of the following conditions:

- (1) Intentionally self-inflicted injuries, suicide or any attempt threat while sane or insane;
- (2) Declared or undeclared war or any act thereof;
- (3) Illness, disease, or any bacterial infection other than bacterial infection occurring in consequence of an accidental cut or wound;
- (4) Accident occurring while the employee driver is under the influence of alcohol or drugs, or if an employee passenger who is under the influence alcohol or drugs in any way contributes to the cause of the accident;
- (5) While an employee is a driver or an occupant of any conveyance engaged in any race or speed test;
- (6) While an employee is commuting to and/or from his residence or place of business.

Section 5. Offset. It is intended that this Appendix is to provide a guaranteed recovery by an employee or his personal representative under the circumstances described, and that receipt of payment thereunder shall not bar the employee or his personal representative from pursuing any remedy under the Federal Employers Liability Act or any other law; provided, however, that any

amount received by such employee or his personal representative under this Appendix may be applied as an offset by the Carrier against any recovery so obtained.

Section 6. Subrogation. The Carrier shall be subrogated to any right or recovery an employee or his personal representative may have against any party for loss to the extent that the Carrier has made payments pursuant to this Appendix.

The payments provided for above will be made, as above provided, for covered accidents on or after January 1, 1979.

It is understood that no benefits or payments will be due or payable to any employee or his personal representative, unless such employee or his personal representative, as the case may be, stipulates as follows:

"In consideration of the payment of any of the benefits provided in Article IV of the Agreement of October 7, 1971 (May 12, 1972 for Sheet Metal Workers), agrees to be governed by all the conditions and provisions said and set forth by Article IV."

Section 7. Savings Clause. This Appendix supersedes as of January 1, 1972 (August 1, 1972 for Sheet Metal Workers) any agreement providing benefits of a type specified in Section 2 hereof under the conditions specified in Section 1 hereof; provided, however, any individual railroad party hereto, or any individual committee representing employees party hereto, may by advising the other party in writing by December 1, 1971 (July 1, 1971 for Sheet Metal Workers) elect to preserve in its entirety an existing agreement providing accident benefits of the type provided in this Appendix in lieu of this Appendix.

NOTE: Minor stylistic and format changes were made to this Appendix as part of the January 1, 2009 updating and reprinting of the General Rules Agreement.

APPENDIX D

PART 1

UNION SHOP AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and its machinists represented by the International Association of Machinists and Aerospace Workers (taken from National Agreement of January 15, 1953):

IT IS AGREED:

Section 1. In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the carrier now or hereafter subject to the rules and working conditions agreements between the parties hereto, except as hereinafter provided, shall, as a condition of their continued employment subject to such agreements, become members of the organization party to this agreement representing their craft or class within sixty calendar days of the date they first perform compensated service as such employees after the effective date of this agreement, and thereafter shall maintain membership in such organization; except that such membership shall not be required of any individual until he has performed compensated service on thirty days within a period of twelve consecutive calendar months. Nothing in this agreement shall alter, enlarge or otherwise change the coverage of the present or future rules and working conditions agreements.

Section 2. This agreement shall not apply to employees while occupying positions which are excepted from the bulletining and displacement rules of the individual agreements, but this provision shall not include employees who are subordinate to and report to other employees who are covered by this agreement. However, such excepted employees are free to be members of the organization at their option.

Section 3. (a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty days or more, are (1) furloughed on account of force reduction, or (2) on leave of absence, or (3) absent on account of sickness or disability, will not be required to maintain membership as provided in Section 1 of this agreement so long as they remain in such other employment, or furloughed or absent as herein provided, but they may do so at their option. Should such employees return to any service covered by the said Rules and Working Conditions Agreements and continue therein thirty calendar days or more, irrespective of the number of days actually worked during that period, they shall, as a condition of their continued employment subject to such agreements, be required to become and remain members of the organization representing their class or craft within thirty-five calendar days from date of their return to such service.

(b) The seniority status and rights of employees furloughed to serve in the Armed Forces or granted leaves of absence to engage in studies under an educational aid program sponsored by the federal government or a state government for the benefit of ex-service men shall not be terminated by reason of any of the provisions of this agreement but such employees shall, upon resumption of employment, be considered as new employees for the purpose of applying this agreement.

(c) Employees who retain seniority under the rules and working conditions agreements governing their class or craft and who, for reasons other than those specified in subsections (a) and (b) of this section, are not in service covered by such agreements, or leave such service, will not be required to maintain membership as provided in Section 1 of this agreement so long as they are not in service covered by such agreements, but they may do so at their option. Should such employees return to any service covered by the said rules and working conditions agreements they shall, as a condition of their continued employment, be required, from the date of return to such service, to become and remain members in the organization representing their class or craft.

(d) Employees who retain seniority under the rules and working conditions agreements of their class or craft, who are members of an organization signatory hereto representing that class or craft and who in accordance with the rules and working conditions agreement of that class or craft temporarily perform work in another class of service shall not be required to be members of another organization party hereto whose agreement covers the other class of service until the date the employees hold regularly assigned positions within the scope of the agreement covering such other class of service.

Section 4. Nothing in this agreement 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 generally 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 agreement, 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.

Section 5. (a) Each employee covered by the provisions of this agreement shall be considered by the carrier to have met the requirements of the agreement unless and until the carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt of any employee who it is alleged has failed to comply with the terms of this agreement and who the organization therefor claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the carrier and the organizations involved and the form shall make provisions for specifying the reasons for the allegation of non-compliance. Upon receipt of such notice, the carrier, will, within ten calendar days of such receipt, so notify the employee concerned in writing by Registered Mail, Return Receipt Requested or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified 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 date of receipt of such notice, request the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him a hearing. Upon receipt of such request the carrier shall set a date for hearing which shall be held within ten calendar days of the date of receipt of request therefor. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

In the event the employee concerned does not request a hearing as provided herein, the carrier shall proceed to terminate his seniority and employment under the Rules and Working Conditions Agreement not later than thirty calendar days from receipt of the above described notice from the organization unless the carrier and the organization agree otherwise in writing.

(b) The Carrier shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this agreement and shall render a decision within twenty calendar days from the date that the hearing is closed, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision except as hereinafter provided or unless the carrier and the organization agree otherwise in writing.

If the decision is not satisfactory to the employee or to the organization it may be appealed in writing, by Registered Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this agreement. Such appeals must be received by such officer within ten calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty calendar days of the date the notice of appeal is received, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below, or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved requests the selection of a neutral person to decide the dispute as provided in Section 5(c) below. Any request for selection of a neutral person as provided in Section 5(c) below shall operate to stay action on the termination of seniority and employment until not more than ten calendar days from the date decision is rendered by the neutral person.

(c) If within ten calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this agreement or his designated representative, the Chief Executive of the organization or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral. The carrier, the organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty calendar days

from the date of receipt of the request for this appointment and shall be final and binding upon the parties. The carrier, the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return receipt requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization, if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

(d) The time periods specified in this section may be extended in individual cases by written agreement between the carrier and the organization.

(e) Provisions of the investigation and discipline rules contained in the Rules and Working Conditions Agreement between the carrier and the organization will not apply to cases arising under this agreement.

(f) The General Chairman of the organization shall notify the carrier in writing of the title(s) and address(es) of its representatives who are authorized to serve and receive the notices described in this agreement. The carrier shall notify the General Chairman of the organization in writing of the title(s) and address(es) of its representatives who are authorized to receive and serve the notices described in this agreement.

(g) In computing the time periods specified in this agreement, the date on which a notice is received or decision rendered shall not be counted.

Section 6. Other provisions of this agreement to the contrary notwithstanding the carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The carrier may not, however, retain such employee in service under the provisions of this section for a period in excess of sixty calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety calendar days from date of receipt of notice from the organization in cases where the employee does not request a hearing. The employee whose employment is extended under the provisions of this section shall not, during such extension, retain or acquire any seniority rights. The position will be advertised as vacant under the bulletining rules of the respective agreements but the employee may remain on the position he held at the time of the last decision, or at the date of receipt of notice where no hearing is requested pending the assignment of the successful applicants, unless displaced or unless the position is abolished. The above periods may be extended by agreement between the carrier and the organization involved.

Section 7. An employee whose seniority and employment under the Rules and Working Conditions Agreement is terminated pursuant to the provisions of this agreement or whose employment is extended under Section 6 shall have no time or money claims by reason thereof.

If the final determination under Section 5 of this agreement is that an employee's seniority and employment in a craft or class shall be terminated, no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the 60 or 90 day periods, specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such periods, no provision of any other agreement between the parties hereto shall be used

as the basis for a grievance or time or money claim by or on behalf of any employee against the carrier predicated upon any action taken by the carrier in applying or complying with this agreement or upon an alleged violation, misapplication or non-compliance with any provisions of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated, his continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8. In the event that seniority and employment under the Rules and Working Conditions Agreement is terminated by the carrier under the provisions of this agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the Organization shall indemnify and save harmless the Carrier against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment; provided, however, that this section shall not apply to any case in which the carrier involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in which case such carrier acts in collusion with any employee; provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this agreement.

Section 9. Any employee whose employment is terminated as a result of noncompliance with the provisions of this agreement shall be regarded as having terminated his employee relationship for vacation purposes.

Section 10. The carrier party to this agreement shall periodically deduct from the wages of employees subject to this agreement periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such organization, and shall pay the amount so deducted to such officer of the organization as the organization shall designate: Provided, however, that the requirements of this sub-section (a) shall not be effective with respect to any individual employee until he shall have furnished the carrier with a written assignment to the organization of such membership dues, initiation fees and assessments, which assignment shall be revocable in writing or upon the termination of this agreement whichever occurs sooner.

Section 11. This Agreement is effective December 16, 1987, and shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Chicago, Illinois, this 2nd day of December, 1987.

**FOR INTERNATIONAL ASSOCIATION OF
MACHINIST AND AEROSPACE WORKERS:**

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

/s/ E.B. Kostakis
President and Directing
General Chairman

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

(Wherever the phrase "Registered Mail" appears in the above Agreement, same has been amended to read "Registered or Certified Mail.")

APPENDIX D

PART 2

DUES DEDUCTION AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinists and Aerospace Workers, hereinafter referred to as the Organization.

IT IS AGREED:

Section 1. Subject to the terms and conditions of this Agreement, the Company will deduct from wages due employees represented by the Organization sums payable to the Organization for periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of retaining membership in the organization, upon the written and unrevoked authorization of a member in the form agreed upon by the parties hereto, copy of which is identified as Attachment "A" to be made a part hereof.

Section 2. The signed authorization may, in accordance with its terms, be revoked in writing at any time after its execution, or upon the termination of this Agreement, or upon the termination of the rules and working conditions agreement between the parties, whichever occurs sooner. Revocation of the authorization shall be in the form agreed upon by the parties, copy of which is identified as Attachment "B" to be made a part hereof.

Section 3. Both the authorization forms and the revocation of authorization forms shall be furnished as necessary by the Organization without cost to the Company and the Organization shall assume full responsibility for the procurement and execution of the forms by employees and for the delivery of such forms to the Company.

Section 4. Deductions as provided for herein shall be made by the Company in accordance with certified deduction lists furnished by the Secretary-Treasurer of each Local Lodge of the Organization of which the employee is a member. Such lists, accompanied by executed authorization forms, shall be furnished initially in triplicate to the Manager of Accounting of the Company and shall show in identification work number order, the employee's name, class, and the amount to be deducted. Thereafter, two lists, in triplicate, on Form identified as Attachment "C," shall be furnished not later than the 20th of each month as follows:

(a) A list showing any changes in the amounts to be deducted from the wages of employees with respect to whom deductions are already being made. Such list shall show both the amounts previously authorized to be deducted and any changes to be made in the amounts to be deducted; also, the names of employees from whose wages no further deductions are to be made which shall be accompanied by revocation of authorization forms signed by each employee so listed. Where no changes are to be made, the list shall so state.

(b) A list showing additional employees from whose wages the Company shall make deductions as herein provided, together with an authorization form signed by each employee so listed. Where there are no such additional employees, the list shall so state.

Section 5. Deductions as provided for herein will be made monthly by the Company from wages due employees for the second pay period in each calendar month, and the Company will, subject to the provisions of Paragraph 6 hereof, remit to each Secretary-Treasurer of the Organization the total amount of such deductions, for each Local Lodge, on or before the 20th day of the month following the month in which such deductions are made, together with a statement showing employees from whom deductions were made for each Local Lodge.

Section 6. (a) In the event earnings of an employee are insufficient to permit the full amount of deduction, no deduction will be made and responsibility for collection shall rest entirely with the Organization.

(b) In cases where no deduction is made from the wages of an employee due to insufficient earnings, or for other reasons, the amounts not deducted shall not be added to deduction lists for the employee for any subsequent payroll period.

(c) The following payroll deductions shall have priority over the deductions covered by this Agreement:

- (1) Federal, State and Municipal taxes and other deductions required by law including garnishments and attachments.
- (2) Premiums on any life insurance, hospital and surgical insurance, group accident or health insurance, or group annuities.
- (3) Other deductions required by law such as garnishments and attachments and amounts due the Corporation by the individual.

Section 7. Amounts deducted from the wages of employees in accordance with this Agreement shall be included in a lump sum with other amounts, if any, reported under the heading "Deductions - Miscellaneous" on the stub attached to the employee's pay check.

Section 8. The service herein described will be performed by the Company at no cost to the employee for whom such deductions are made.

Section 9. Responsibility of the Company under this Agreement shall be limited to remitting to the Organization amounts actually deducted from the wages of employees and the Company shall not be responsible financially or otherwise for failure to make proper deductions. Any questions arising as to the correctness of the amount deducted shall be handled between the employee involved and the Organization, and any complaints against the Company in connection therewith shall be handled by the Organization on behalf of the employee concerned.

Section 10. No part of this Agreement shall be used in any manner whatsoever, either directly or indirectly, as a basis for grievance or time claim by or in behalf of any employee predicated upon any alleged violation of, or misapplication or non-compliance with, any part of this Agreement.

Section 11. The Organization shall indemnify, defend and save harmless the Company from any and all claims, demands, liability losses or damage resulting from the entering into or complying with the provisions of this Agreement.

This Agreement shall become effective as of, December 16, 1987 and remain in effect subject to the provisions of the Railway Labor Act, as amended.

Signed at Chicago, Illinois this 2nd day of December, 1987.

**FOR INTERNATIONAL ASSOCIATION OF
MACHINIST AND AEROSPACE WORKERS:**

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

APPROVED:

/s/ E.B. Kostakis
President and Directing
General Chairman

ATTACHMENT "A"

WAGE ASSIGNMENT AUTHORIZATION

Manager of Accounting
Northeast Illinois Regional
Commuter Railroad Corporation
547 West Jackson Blvd.
Chicago, IL 60661

I hereby assign to the International Association of Machinist and Aerospace Workers that part of my wages necessary to pay my monthly union dues, initiation fees and assessments (not including fines and penalties), as provided for in the Dues Deduction Agreement entered into between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinist and Aerospace Workers effective December 16, 1987, and I hereby authorize the Northeast Illinois Regional Commuter Railroad Corporation to deduct and withhold from my wages all such sums and remit them to the Secretary-Treasurer of the Grand Lodge in accordance with the said Dues Deduction Agreement. This authorization may be revoked in writing by the undersigned at any time after its execution, or upon the termination of the said Dues Deduction Agreement, or upon the termination of the Rules and Working Conditions Agreement between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinist and Aerospace Workers, whichever occurs sooner.

My My My name is (print) _____
(First Name) (Middle Name) (Last Name)

My S.S.A. Number is ____ - ____ - _____. My Payroll Number is _____.

(Signature)

(Department)

(Position) (Work Location)

Date _____

ATTACHMENT "B"

WAGE ASSIGNMENT REVOCATION

Manager of Accounting
Northeast Illinois Regional
Commuter Railroad Corporation
547 West Jackson Blvd.
Chicago, IL 60661

Effective _____ I hereby revoke the wage assignment authorization now in effect assigning to the International Association of Machinists and Aerospace Workers that part of my wages necessary to pay my monthly dues, initiation fees and assessments now being withheld pursuant to the Dues Deduction Agreement effective December 16, 1987, between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinists and Aerospace Workers and I hereby cancel the authorization now in effect authorizing the Northeast Illinois Regional Commuter Railroad Corporation to deduct and withhold such monthly dues, initiation fees and assessments from my wages.

My name is (print) _____
(First Name) (Middle Name) (Last Name)

My S.S.A. Number is ____ - ____ - ____ My Payroll Number is ____.

(Signature)

(Department)

(Position) (Work Location)

Date _____

ATTACHMENT "C"

Manager of Accounting
Northeast Illinois Regional
Commuter Railroad Corporation
547 West Jackson Blvd.
Chicago, IL 60661

Statement of additions, cancellations and changes in deductions for union dues authorized by wage assignment forms on file.

VENDOR _____

MONTH _____ 20____

SUB-VENDOR _____

[illegible]

DATE _____

LOCATION _____

CERTIFIED _____

General Chairman

APPENDIX D

PART 3

VOLUNTARY POLITICAL CONTRIBUTION

Section 1. (a) Subject to the terms and conditions hereinafter set forth, the Carrier will deduct from wages of employees voluntary political contributions upon their written authorization in the form (individual authorization form) agreed upon by the parties hereto, copy of which is attached, designated "Attachment A" and made a part hereof.

(b) Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following the month in which the authorization is received. Such authorization will remain in effect thereafter until canceled by the employee upon written notice to the Brotherhood and the Carrier by Registered or Certified Mail on or before the last day of the month in which such deductions are to be taken. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the Dues Deduction Agreement.

Section 2. The General Chairman or his designated representative shall furnish the Carrier, with copy of appropriate units of the Brotherhood, an initial statement by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amount will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement showing additions and/or deletions furnished in the same manner as the initial statement required hereinabove.

Section 3. Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employee's paycheck. No deduction shall be made in any month that the amount of the deduction is not fully covered by an equal amount due the employee in net compensation. Only one monthly contribution shall be deducted in any given month. Deductions will only be made in whole dollar increments.

Section 4. Concurrent with making remittance to the Brotherhood of monthly membership dues, the Carrier will make separate remittance of the voluntary political contributions to the Treasurer, _____, together with a list prepared in accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues, with a copy to the General Chairman.

Section 5. The requirements of this Agreement shall not be effective with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

ATTACHMENT "A"

INDIVIDUAL AUTHORIZATION FORM

Voluntary Payroll Deductions

To: Northeast Illinois Regional
Commuter Railroad Corporation

Department

Work Location

I hereby authorize and direct my employer, Northeast Illinois Regional Commuter Railroad Corporation, to deduct from my pay the sum of \$_____, for each month in which compensation is due me, and to forward the amount to the Treasurer,_____. This authorization is voluntarily made on the specific understanding that the signing of this authorization and the making of payments to the organization's Political League are not conditions of membership in the Union or of employment with the Carrier; that the organization's Political League will use the money it receives to make political contributions and expenditures in connection with Federal, State and Local elections.

It is understood that I may revoke this authorization at any time by giving the Carrier and the Organization advance written notice before the last day of the month in which such deductions are to be taken.

Signed at _____ this ____ day of _____.

(Personal Signature)

Identification Number

Social Security No.

Local Lodge Number

APPENDIX E

SUBCONTRACTING

Section 1. The work set forth in the classification of work rules of the crafts parties to this Agreement or in the scope rule, if there is no classification of work rule, and all other work historically performed and generally recognized as work of the crafts pursuant to such classification of work rules or scope rules where applicable, will not be subcontracted except in accordance with the provisions of this Agreement. The purchase of new modern equipment will not remove the repair of such equipment from the classification of work rules. It is understood that the word "subcontracted" includes unit exchange (trading in old or worn equipment or component parts, receiving in exchange new, upgraded or rebuilt parts) but does not include the purchase of new equipment or component parts. In determining whether work falls within a scope rule or is historically performed and generally recognized within the meaning of this Appendix, the practices at the facility involved will govern.

Section 2. Subcontracting of work including unit exchange referred to in Section 1 of this Appendix will not be permitted except under one or more of the following conditions:

(a) When such work cannot be performed by the Carrier except at a significantly greater cost, provided the cost advantage enjoyed by the subcontractor is not based on a standard of wages below that of the prevailing wages paid in the area for the type of work being performed. In determining wage costs for performing the work on the property under this criterion, the following formula will be used:

Estimated number of hours to perform the work multiplied by the rate of pay of employees to be used, plus 46.0% for fringe benefits and 89.5% for shop overhead and supervision.

The following items comprise the 46.0% fringe benefit cost:

Vacations	7.8%
Holidays	4.6%
Railroad Retirement Taxes, Supplemental Annuities and RUIA	23.3%
Hospital-surgical-medical and life insurance	9.1%
Supplemental Sickness Insurance	1.2%

The percentage of labor cost attributed to fringe benefits is subject to adjustments as a result of changes in the cost of such benefits or the addition of other benefits which might be negotiated.

(b) Skilled manpower is not available on the property from active or furloughed employees. This criterion will not be used by the Carrier if employees are furloughed and the Carrier can make available the necessary employees to perform the work by recalling qualified furloughed employees or by hiring additional employees who are fully skilled in the work at the time of employment.

(c) Essential equipment is not available on the property. Machinery and facilities will be considered available on the property if the Carrier owns such machinery and facilities on the date of this Agreement, and if the machinery is of sufficient capacity or design to perform the work. Disposition of facilities or machinery, or Carrier's failure to replace machinery that becomes

inoperative or outdated cannot be used as a reason for subcontracting work unless the replacement therefor has been submitted to and denied through the budgetary process.

When the volume of such work of a particular type increases to a level where it would be economical to secure the proper equipment or machinery for performance of the work (but expressly excluding the acquisition or construction of facilities) failure of the Carrier to acquire such equipment or machinery, unless submitted to and denied through the budgetary approval process, cannot be used as a reason for subcontracting.

(d) The required time of completion of the work cannot be met with the skills, personnel or equipment available on the property. In determining whether or not the time of completion of the work can be met by having the work performed on the property, the parties will jointly consider working employees on an overtime basis, rescheduling vacations of employees and establishing another shift by recalling furloughed employees or hiring additional employees. It is recognized, however, that initiation of these steps might result in increased cost for performance of the work which must be taken into consideration in making a determination as to whether or not the work should be performed on the property.

Since the basic consideration of this criteria is that time is of the essence in many situations, it is recognized that for an item of work the Carrier may not be able to delay its decision to contract the work long enough to allow the parties to make the joint consideration prior to the subcontracting as contemplated in the paragraph, and such failure to "jointly consider" will not constitute violation of the Agreement. Also, at the Carrier's request, the Organization will "jointly consider" on a general or abstract basis specific occurrences, and establish guidelines which will constitute compliance with this Section 2(d) in subsequent specific occurrences of the same nature.

(e) Managerial skills are not available on the property. This criterion is not intended to permit subcontracting on the ground that there is not available a sufficient number of supervisory personnel possessing the skills normally held by such personnel.

Section 3. (a) If the Carrier decides to subcontract work (except for minor repairs and in emergency situations) in accordance with this Agreement, it will give the General Chairman of the craft or crafts involved notice of its intention which will include the reasons therefor, and will furnish the following data where applicable to the particular transaction:

- (1) Subcontractor's bid broken down into man hours, labor charges, shop overhead, material costs and specific work to be performed.
- (2) Blueprints, drawings, sketches, specifications manufacturer's model number and any other information which will properly describe or identify the job, equipment, parts, or units involved in the particular transaction.
- (3) Purchase agreements containing warranties and guarantees, return exchange options or rights, reciprocal agreements with manufacturers, and other rail carriers dealing with leasing or exchange of locomotives, cars, equipment, communication and electrical equipment.
- (4) Carrier's purchase orders with specifications and cost of labor and materials.

- (5) Information relative to estimated completion date and actual date completed by Contractor.
- (6) True copy of invoices received from the subcontractor relative to the transaction, showing hours, labor charges and material costs.
- (7) List of special machinery, tools, gauges and any other technical devices needed to perform the work involved in the transaction.

(b) If requested, the Carrier will also furnish the General Chairman of the craft or crafts involved the above data, where applicable, in transactions involving minor repairs and emergency situations where no advance notice is required.

(c) The General Chairman or his designated representative will notify the Carrier within ten days from the date of receipt by certified mail of the Carrier's notice to subcontract work of any desire to discuss the involved transaction and conference will be arranged to discuss such transaction within ten days from the date the General Chairman or his representative's notice is received by the Carrier of his desire to discuss the matter. If the parties are unable to reach an agreement at such conference the Carrier may nevertheless proceed to subcontract the work and the Organization may process the dispute to a conclusion as provided in Section 4 hereof.

(d) If the General Chairman or his designated representative requests data in transactions involving minor repairs and emergency situations where no advance notice has been given, he will notify the Carrier by certified mail within ten days from the receipt by certified mail of the Carrier's letter furnishing such data of any desire to discuss the matter and a conference will be arranged within ten days from such notification. Any dispute as to whether the transaction involved minor repairs or any emergency situation may be processed to a conclusion as provided in Section 4 hereof.

(e) The term "minor repair" as used herein is interpreted to mean an item of repair requiring eight (8) man hours or less to perform, and which occurs at a location where mechanics of the craft involved and/or spare units or parts are not available or cannot be made available within a reasonable time to make the repair; or where, because of time or expense, the equipment cannot be sent to another shop operated by the Carrier for repair.

(f) "Emergency" is defined to mean:

"An unforeseen combination of circumstances or the resulting state which calls for prompt or immediate action involving safety of the public, employees and Carrier's property or avoidance of delay to Carrier's operations."

Section 4. (a) Disputes under this Appendix E must be presented in writing to the highest officer designated by the Carrier to handle disputes under the Railway Labor Act within sixty (60) days of the conference held in accordance with Section 3 hereof, or within (60) days of commencement of such conferenced work whichever is later, and thereafter handled in accordance with the General Labor Agreement Time Limit rule governing claims and grievances.

(b) If it is determined in handling on the property or by Adjustment Board Award that the Carrier

has failed to give notice in accordance with this Section 3, the Carrier will pay an amount not in excess of that produced by multiplying 10% of the man hours charged by the contractor at the rates of pay of the claimants and dividing such sum equally among the claimants.

(c) If an Adjustment Board Award holds in a particular case that the Carrier subcontracted the work in violation of this Agreement and the monetary relief sought is on behalf of a named furloughed employee who would have otherwise performed the work, the Board shall award such employee the amount of wages lost and other benefits necessary to make him whole. If the monetary relief sought is on behalf of employees in active service who were not adversely affected by the subcontracting, the Board shall nevertheless award minimum payments as specified above. It is understood that the Board cannot award minimum payments in accordance with the previous paragraph if it awards such payments under this paragraph.

Section 5. If the Carrier purchases equipment on which it secures a service contract or a warranty, repairs to such equipment will be performed by or at the expense of the manufacturer within the standard purchase warranty period and if the repair or service work is performed on the Carrier's property, an appropriate craft employee of the Carrier will be assigned to the project. After the standard purchase warranty period, the Carrier will have such repairs performed by its employees except such work as may be subcontracted under the terms of this Agreement.

Signed at Chicago, Illinois, this 2nd day of December, 1987.

**FOR INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS:**

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Approved:

/s/ E.B. Kostakis
President and Directing
General Chairman

APPENDIX F

LATEST WAGE, RULE, AND BENEFIT AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation (NIRC) and the International Association of Machinists and Aerospace Workers (IAM), made this 16th day of March, 2001.

IT IS AGREED:

Section 1. Cost-of-Living Adjustment. Cost-of-living provisions as set forth in Appendix G of the General Agreement of December 16, 1987, as amended, are hereby further amended by adding new measurement and adjustment dates as follows:

Measurement Periods		Effective Date of Adjustment
Base Month	Measurement Month	
September, 1997	September, 1998	January 1, 1999
September, 1998	September, 1999	January 1, 2000
September, 1999	September, 2000	January 1, 2001
September, 2000	September, 2001	January 1, 2002
September, 2001	September, 2002	January 1, 2003

Subject to the conditions set forth in Section 8, paragraph (a) of today's agreement, new measurement and adjustment dates would be added as follows:

September, 2002	September, 2003	January 1, 2004
September, 2003	September, 2004	January 1, 2005

Section 2. Health and Welfare. During the term of this Agreement, such premiums per qualifying employee necessary to continue in force all nationally negotiated Health and Welfare coverages applicable to the Organization signatory hereto, including but not limited to those under GA23000, GP12000, GA46000, Supplemental Sickness Policy R-5000, and Off-Track Vehicle Accident Plan, shall be remitted in their entirety by NIRC.

Section 3. Supplemental Retirement. (a) Effective with the signing of this Agreement, the Carrier shall make, as an employer contribution, a payment of \$250 on behalf of each employee, subject to and in service under the terms of this Agreement, to such employee's individual 401(k) Deferred Compensation Plan.

(b) Effective with the pay period ending December 31, 2000, the Carrier shall make, as an employer contribution, an additional payment of \$250 to each covered employee's individual 401(k) Deferred Compensation account.

(c) Thereafter, effective with the pay period ending December 31 of each subsequent calendar year, the Carrier shall make, as an employer contribution, a payment of \$500 to each covered employee's individual 401(k) Deferred Compensation Plan account.

(d) The employer contributions, as set forth in paragraphs (b) and (c) above, shall be prorated, based on the number of straight time hours for which an employee receives compensation as a percentage of 2,088 total straight time hours for the calendar year.

(e) To qualify for the employer contributions, as set forth in paragraphs (b) and (c) above, the employee must be in service under the terms of this Agreement on the effective date of the payments and must have received compensation pursuant to the General Agreement of December 16, 1987, during the course of the calendar year. There shall be no duplication of any payments or pyramiding of any benefits as provided for herein for employees who are coincidentally eligible to receive supplemental pension and/or retirement benefits under another agreement applicable to NIRC employees.

(f) All payments, as provided for herein, shall be made in conformance with applicable state and federal law and subject to any tax withholdings as may be required by such law.

Section 4. Lump Sum Bonus Payment. (a) Subject to the conditions set forth below, each employee subject to this Agreement shall receive a lump sum bonus payment equal to two and one-half (2.5) percent of prior year 1998 gross NIRC earnings, with a minimum one thousand dollar (\$1,000) bonus payment to be made effective with the signing of this Agreement.

(b) To qualify for the lump sum bonus payment to be made pursuant to paragraph (a) hereof, the employee must be in service on the effective date of this Agreement or during the preceding twelve (12) month period have retired pursuant to the provisions of the Railroad Retirement Act or have died.

(c) Employees entitled to the lump sum bonus payment as provided for herein shall have the option of receiving the payment in a separate paycheck or they may elect to place all or a portion of the payment into their established deferred compensation plan, subject in either case to any applicable tax withholdings as may be required by state and/or federal law.

(d) There shall be no duplication of the lump sum bonus payment provided herein to employees who coincidentally are subject to any other labor agreement applicable to NIRC, irrespective of the manner in which the payment is calculated or how the payment is received by the employee.

Section 5. General Wage Increases. Basic rates of pay between the NIRC and IAM as set forth in Appendix G of the General Agreement of December 16, 1987, as amended, are hereby further amended to the extent indicated below:

(a) Effective January 1, 1999, all basic rates of pay in effect on December 31, 1998, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(b) Effective July 1, 2000, all basic rates of pay in effect on June 30, 2000, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(c) Effective July 1, 2001, all basic rates of pay in effect on June 30, 2001, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(d) Effective July 1, 2002, all basic rates of pay in effect on June 30, 2002, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(e) Rates of pay resulting from application of paragraphs (a), (b), (c), and (d) above, which end in fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

Section 6. General Agreement Rule Changes. Effective March 16, 2001, the following Rules of the December 16, 1987, General Agreement, as amended, shall be further amended to the extent indicated below:

Amend Rule 13. Promotion to Foreman, paragraphs (a), (b), and (c), to read as follows:

(a) Journeyman mechanics in service shall be considered for promotion. Each of the respective crafts shall be given equal consideration in the selection process.

(b) When vacancies occur in positions of foreman, journeyman mechanics from the respective crafts will have preference in promotion.

(c) It is the policy of the Company to promote its own employees, and only when competent employees cannot be found in the ranks, or when competent employees will not accept vacancies or new positions, shall it be the disposition of the Company to vary from this policy.

Amend Rule 22. Seniority to add a new paragraph (d) to read as follows:

(d) In the event two or more individuals begin service at the same time on the same date, such individuals shall be ranked in accordance with the following:

- (1) Employees transferring from other NIRC departments will be deemed senior to newly hired employees.
- (2) Employees transferring from other NIRC departments will be ranked in accordance with the respective seniority held by such employees in those other departments prior to their transfer.
- (3) Employees will then be ranked on the basis of their age, with the oldest employee ranked first. Should two or more employees be the same age, they will be ranked in alphabetical order by their last names.

Amend Rule 24. Autogenous Welding to increase the differentials contained therein from fifteen cents (15¢) to twenty-four cents (24¢).

Amend Rule 26. Lead Workmen to increase the differential contained therein from nine cents (9¢) to twenty-four cents (24¢) per hour.

Amend Rule 29. Discipline, paragraph (b), to change the second part of the paragraph to read as follows:

Any portion of the employee's past work record to be cited at the hearing shall be given to the employee with the notice of the hearing. The company shall furnish the duly designated representative copies of all written statements to be presented at the hearing at least twenty-four (24) hours prior to the hearing.

Amend Rule 48. Non-Discrimination to add a new paragraph (b), to read as follows:

(b) In application of paragraph (a) hereof, the parties acknowledge that each is subject to the Americans with Disabilities Act (ADA).

Reorder paragraph (b) to paragraph (c).

Amend Rule 57(a). Sick Leave, paragraph (b), to read as follows:

(b)(1) The sick benefit days provided in paragraph (a) hereof which remain unused at the end of each calendar year shall be placed into a supplemental "Sick Leave Reserve Account."

- (2) The first thirty (30) days placed into the supplemental Sick Leave Reserve Account shall be used solely as a means to supplement benefits payable under the sickness benefit provisions of the Railroad Unemployment Insurance Act, as now or hereafter amended, only to the extent provided in this Rule and not to replace or duplicate benefits provided under the Act.
- (3) Upon notice from the U.S. Railroad Retirement Board to the Carrier that an employee has filed an eligible claim for Railroad Unemployment Insurance benefits, the Carrier shall allow the employee to utilize any sick benefit days that have been accumulated in his/her Sick Leave Reserve Account for purposes of providing supplemental sickness benefits to supplement benefits payable for days of sickness under the Railroad Unemployment Insurance Act, or for days in the waiting period, or for days after an otherwise eligible employee has exhausted his or her Railroad Unemployment Insurance Act benefits and benefits payable under Group Policy R-5000 (Supplemental Sickness Benefit Plan for Railroad Shop Craft Employees).

NOTE: The Supplemental Sickness benefit may also be used by an employee who does not have qualifying compensation under RUIA to be eligible for RUIA benefit.

- (4) The supplemental benefit payment for any calendar day under this plan shall not exceed the straight-time daily rate of the employee's position or the protected rate, whichever is higher, and is to be reduced by the amount of RUIA benefits and by R-5000 benefits, if any, payable for the same day.
- (5) Any additional days placed into the supplemental Sick Leave Reserve Account over and above the first thirty (30) days as set forth in subparagraph (2) hereof may also be used to supplement benefits payable under the sickness benefit provisions of the Railroad Unemployment Insurance Act. In addition, with specific respect to days thirty-one (31) through ninety (90) that are placed into the supplemental Sick Leave Reserve Account, the following options shall also apply:
- (a) The employee can leave the accumulated days in excess of thirty (30) in his or her Reserve Account, and upon permanent separation from the Carrier, the employee will receive a cash payment equal to thirty (30) percent of the accumulated excess days. The straight time rate of pay of the regularly assigned position held at the time of separation shall be used in calculating the amount due under this paragraph.

EXAMPLE: Employee has a total of ninety (90) days in the Reserve Account upon permanent separation from the Carrier. The employee would receive 30% of 60 days (the excess number of days over 30) which is equal to the cash equivalent of 18 days' pay.

OR

- (b) The employee can receive a cash payment equal to twenty-five (25) percent of the unused days remaining at the end of the calendar year from that year's annual allotment of five personal leave days (per Rule 57) and three sick leave days. The straight time rate of pay of the regularly assigned position held at the time shall be used in calculating the amount due under this paragraph.

EXAMPLE: Employee ends the year with four unused days from the year's annual allotment. The employee would receive 25% of 4 days which is equal to the cash equivalent of one day's pay.

- (6) After accumulating more than ninety (90) days in the supplemental Sick Leave Reserve Account, the same conditions as set forth in subparagraph (5) hereof shall apply, except that the cash payment received upon permanent separation from the Carrier shall be equal to fifty (50) percent of the accumulated excess days.

EXAMPLE: Employee has a total of 110 days in the Reserve Account upon permanent separation from the

Carrier. The employee would receive 50% of 80 days (the excess number of days over 30) which is equal to the cash equivalent of 40 days' pay.

Further amend Rule 57(a). Sick Leave to add a new paragraph (c), to read as follows:

(c) Additional sick benefit days may be earned and placed into the Sick Leave Reserve Account at the rate of one (1) day per each six (6) months of perfect work attendance, which is defined as having no absences during the period except as otherwise provided under applicable vacation, holiday, personal leave, or other authorized paid non-sick-leave provisions. In any six-month period where the employee utilizes a sick benefit day, or has any unpaid or unauthorized absence, no incentive sick benefit day will be earned for that period.

And further amend Rule 57(a). Sick Leave to identify existing paragraphs (c), (d), and (e) as new paragraphs (d), (e), and (f), respectively.

Amend Rule 59. Machinist Qualifications to identify the existing paragraph as paragraph (a) and add a new paragraph (b), to read as follows:

(b) In application of paragraph (a) hereof, applicants for employment as Machinists shall provide appropriate and reasonable documentation, satisfactory to both the Carrier and the Organization, that they have successfully completed their apprenticeship or have four (4) or more years of experience as a journeyman.

Section 7. Effect of this Agreement. (a) Subject to the provisions of Section 8 below, the purpose and the effect of this Agreement shall be to fix the general level of compensation, work rules and working conditions, and benefits during the period of this agreement and is in settlement, in its entirety, of all Section 6 Notices served by the Organization.

(b) Subject to the provisions of Section 8 below, this Agreement shall remain in effect through December 31, 2002, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) Subject to the provisions of Section 8 below, the parties to this Agreement shall not serve nor progress prior to July 1, 2002 (nor to become effective until January 1, 2003) any notice or proposal to amend or change any provision or appendix of the January 16, 1988, General Agreement not amended or changed by this Agreement; this Agreement itself; nor any matters not covered thereby. This provision shall not preclude the parties from entering into Agreements which are mutually accepted.

Section 8. Contract Extension. (a) The wage actions provided for in paragraphs (b) and (c) hereof shall be made, and the terms and conditions of this Agreement shall be extended per paragraph (d) hereof for an additional two-year period, provided the following two conditions are met as of July 1, 2002:

- (1) That the basic wage rates for positions at Amtrak and/or Class I freight rail carriers operating in the Chicago metropolitan region comparable to positions as provided for under the December 16, 1987, General Agreement, as amended, remain below applicable NIRC basic wage rates; and
- (2) That NIRC does not as a result of negotiations with other labor organizations representing NIRC employees provide wage increases during the two-year extension period (i.e., in years 2003 and 2004) which in aggregate are in excess of those wage increases provided in paragraph (b) and (c) hereof.

(b) Effective July 1, 2003, all basic rates of pay in effect on June 30, 2003, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(c) Effective July 1, 2004, all basic rates of pay in effect on June 30, 2004, for employees covered by the December 16, 1987, General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(d) In the event the provisions of this section are executed per the conditions as set forth in paragraph (a) hereof, this Agreement shall remain in effect through December 31, 2004, and the moratorium dates as set forth in Section 7, paragraph (c) shall be extended to April 1, 2004, for serving notices for changes to become effective on or after January 1, 2005.

Signed at Chicago, Illinois this 16th day of March, 2001.

**FOR INTERNATIONAL ASSOCIATION
MACHINISTS:**

/s/ Robert C. Moore
Robert C. Moore
General Chairman

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Philip A. Pagano
Philip A. Pagano
Executive Director

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

APPROVED:

/s/ Robert Reynolds
Robert Reynolds
President and Directing General Chairman

March 16, 2001

Side Letter No. 1

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is understood that with respect to Section 3. Supplemental Retirement, the employer contribution to be made pursuant to Section 3(a) shall be made as soon as practicable once the employees have completed their election forms and their individual 401(k) Deferred Compensation Plan accounts have been established.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 2

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is understood that with respect to Section 3. Supplemental Retirement, NIRC will prorate the employer contributions as provided for in paragraphs (b) and (c), thereof, for employees in service for less than the full calendar year, based on a total of 2,088 hours for the year. Accordingly, an employee in service for the entire year would have the full payment made to his or her individual 401(k) Deferred Compensation Plan account. If, however, as an example under paragraph (c), an employee received compensation for only six months of the year (or 1,044 hours), a payment of \$250 (or 50 percent of the full payment of \$500) would be made to his or her individual plan account.

The figure of 2,088 hours per year is based on 174 hours per month. The hours which will be credited against this annual total, for purposes of calculating the payments due under paragraphs (b) and (c) of Section 3, shall include all hours for which compensation is received.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 3

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and specifically with respect to Section 3. Supplemental Retirement, effective with the signing of the Agreement, the Carrier shall also make, as an employer contribution to the employee's individual 401(k) Deferred Compensation Plan account, an additional payment of \$500 covering the period of calendar year 1999.

To qualify for this additional employer contribution, the employee must be in service under the terms of this Agreement on the effective date of the Agreement and must have performed compensated service pursuant to the General Rules Agreement during calendar year 1999. Any such employer contribution shall be made as soon as practicable and may be made simultaneously with the contributions to be made under Section 3(a) of today's agreement; and further, any such employer contribution shall be prorated based in accordance with the general provisions of Section 3(d) and Side Letter No. 2 of today's Agreement.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 4

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is understood that with respect to Section 4. Lump Sum Bonus Payment, employees will be given an election form on which they will indicate their preferred method for receiving the payment and, specifically, whether or not they want to have all or some portion of the payment placed in their deferred compensation plan. In further regards to Section 4, it is also understood that the payment to be made pursuant to paragraph (a) thereof shall be made within forty-five days of today's date.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 5

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is understood that with respect to Section 4. Lump Sum Bonus Payment, the employee referenced in paragraph (b), who is in "service on the effective date of this Agreement," refers to an employee covered by this agreement who maintains an employment relationship with NIRC on that date.

It is also agreed with respect to Section 4. Lump Sum Bonus Payment, paragraph (d), an employee who is coincidentally eligible to receive a comparable bonus or lump sum payment under another agreement applicable to NIRC that exceeds the lump sum amount provided under paragraph (a), will be allowed to receive the greater of the lump sums; however, it remains our understanding that such an employee shall not receive duplicate payments.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 6

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that the following shall govern the payment of retroactive wage adjustments resulting from the January 1, 1999, general wage increase as provided for in Section 5(a). Specifically, retroactive wage adjustments shall be paid in a single separate check, subject to all regular and normally applicable payroll tax withholdings. It is NIRC's intention to make this retroactive wage payment within forty-five (45) days of today's date. It is also understood that such retroactive wage adjustments shall be due only to employees subject to this Agreement who have performed service during the period covered by the wage increase provided for in Section 5(a) and who have continued their employment relationship up to today's date or in the meantime have either died or retired.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 7

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and application of Rule 13. Promotion to Foreman, as amended, it is understood that in the event a permanent foreman's vacancy or new position cannot be filled through the normal bulletining procedure as set forth in the Foremen's General Rules Agreement, the Carrier will post a notice in the usual locations advising journeyman mechanics of the availability of such positions and the opportunity for them to be considered for the vacancy or new position.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 8

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and application of Rule 26. Lead Workmen, as amended, the Carrier hereby offers its commitment to work with the Organization in establishing an appropriate number of lead positions at each major work location and in determining the duties to be assigned such lead positions, especially with regard to the provision of required technical assistance and expertise.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 9

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that a day on which a basic day's pay is allowed for personal employee business, pursuant to Rule 57. Personal Leave, will be considered a qualifying day for holiday pay purposes if the aforesaid personal leave day is taken the workday immediately preceding (or immediately following) the holiday in question. Accordingly, it is further agreed that previous side letters of January 18, 1995, and April 14, 1994, regarding this matter are hereby deleted from the December 16, 1987, General Agreement, as amended.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 10

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that in regard to the Sick Leave Reserve Account, as provided for in Rule 57A. Sick Leave, as amended, any employees subject to this agreement hired after today's date will receive an initial bank of five (5) days in their Sick Leave Reserve Account, once they have completed one year of continuous service. In application of this provision, an initial bank of five (5) days will also be established for any employees subject to this agreement who were hired by the Carrier between April 14, 1994, and today's date and have completed one or more years of continuous service. If they have not completed their one year of continuous service, such employees will receive their initial bank of five (5) days once the one year of continuous service is achieved. This handling will satisfy any pending or future claims regarding the former application of the initial bank of days in the Sick Leave Reserve Account as originally provided for under previous Rule 57A. Sick Leave.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 11

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that with respect to Rule 57A. Sick Leave, as amended, the term "upon permanent separation from the Carrier," as referred to in paragraphs (b)(5) and (b)(6) thereof, shall be defined as retirement pursuant to the provisions of the Railroad Retirement Act, voluntary resignation from the Carrier, and death. Dismissal for cause and transfer or promotion to another position at the Carrier would not be included. In this latter case of transfer or promotion, however, the employee would retain whatever days he or she has in his/her Reserve Account provided the employee maintains a seniority relationship with the Organization signatory hereto pursuant to Rule 13. Promotion to Foreman, of the December 16, 1987, General Agreement, as amended. Such retained accumulated days would then be "cashed out" upon the employee's permanent separation from the Carrier (i.e., death, retirement pursuant to the Railroad Retirement Act, or a total voluntary resignation from the Carrier). Otherwise, any accumulated days in the Reserve Account shall be "lost" upon the employee's forfeiting or severing his seniority relationship with the Organization.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 12

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and specifically with reference to Rule 57A. Sick Leave, paragraph (c), as amended, it is agreed that authorized paid leave means leave taken under applicable vacation, holiday, personal leave, jury duty, bereavement, and other authorized paid non-sick-leave provisions. Six hours of compensation on any regularly assigned work day shall constitute a work day and not detract from perfect attendance so long as the employee is authorized to work less than eight hours. Unauthorized incidents of lateness or early quits will constitute absences which detract from a perfect attendance record.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 13

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that with respect to Rule 57A. Sick Leave, as amended, and the term "bona fide sickness" as used in paragraphs (a)(1) and (e), thereof, it is understood that while it is not expected that a formal doctor's certification will be required in cases of occasional illness, such use of the paid benefit day is to be only for legitimate illness or injury. If a pattern of suspected abuse arises, the carrier reserves the right to take appropriate action.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 14

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that all previous side letters, dated April 14, 1994, with respect to Rule 57A. Sick Leave, are hereby deleted from the December 16, 1987, General Agreement, as amended.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 15

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is understood that the two-year contract extension, pursuant to Section 8, will be automatically executed, provided the conditions of paragraph (a) thereof are met. Further, it is also understood that all terms and conditions of this Agreement will be fully enforced during the two-year extension period, as defined in Section 8, and no notice or proposal to change or amend this Agreement shall be progressed per Section 7, paragraph (c). If, however, during the period July 1, 2002, through December 31, 2004, circumstances develop which negate such compliance with the conditions of Section 8, paragraph (a), the Organization signatory hereto shall be free to serve appropriate notice or proposal to amend this Agreement in accordance with the provisions of the Railway Labor Act. Once such notice or proposal is properly served, any remaining wage and/or benefit increases not otherwise previously implemented under the terms of today's agreement shall be canceled.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 16

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that with respect to Section 8. Contract Extension, the methodology to be used in making the basic wage rate comparison called for in paragraph (a)(1) will be to average the respective Chicago area rates of pay then in effect for journeyman machinists at Amtrak, Union Pacific, Burlington Northern Santa Fe, Illinois Central, and CP/SOO, or their successors. The full 100% rate of pay will be used in all instances.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 17

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

Effective March 16, 2001, it is agreed that any employees who, as of June 30, 1999, had and are retaining a seniority relationship under the December 16, 1987, General Agreement and who, during the week of July 1 through July 7, 1999, inclusive, performed compensated service or during such week were on scheduled vacation, on leave due to sickness or injury, on a leave of absence, on suspension or discharge pending appeal, or held a promoted position, and who were not seasonal, temporary, or capital project personnel, shall be retained in active NIRC employment in their Machinist craft throughout the entire term of today's Wage, Rule, and Benefit Agreement as set forth in Sections 7 and 8, except in the event such employees shall leave the NIRC workforce by reason of death, retirement, voluntary resignation, or dismissal for cause, or in the event of circumstances as set forth in Rule 19(b) of the General Rules Agreement.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

THIS AGREEMENT, made this 1st day of June, 2005, by and between the Northeast Illinois Regional Commuter Railroad Corporation (NIRC) and its employees represented by the International Association of Machinists (IAM), witnesseth:

IT IS HEREBY AGREED:

Section 1. Health and Welfare: During the term of this Agreement, the Carrier shall remit in their entirety such premiums per qualifying employee as necessary to continue in force all nationally negotiated Health and Welfare coverages applicable to the Organization signatory hereto, including but not limited to those under GA23000, GP12000, GA46000, Supplemental Sickness Policy R-5000, National Vision Plan, and Off-Track Vehicle Accident Plan.

Section 2. Cost of Living Adjustment: Cost of living provisions as set forth in Appendix G of the General Agreement of December 16, 1987, as amended, shall be further amended by adding new measurement and adjustment dates as follows:

Measurement Periods		Effective Date of Adjustment
Base Month	Measurement Month	
September, 2004	September, 2005	January 1, 2006
September, 2005	September, 2006	January 1, 2007
September, 2006	September, 2007	January 1, 2008

Section 3. Lump Sum Bonus Payment: (a) Effective July 1, 2005, each employee subject to this Agreement shall receive a lump sum bonus payment equal to two and one-half (2.5) percent of prior year 2004 gross NIRC earnings, with a minimum one thousand two hundred dollar (\$1,200) payment.

(b) To qualify for the lump sum bonus payment as provided for in paragraph (a), above, the employee must be in service on the effective date of the payment or, during the preceding twelve month calendar period, have retired pursuant to the provisions of the Railroad Retirement Act or died.

(c) Employees entitled to the lump sum bonus payment as provided for in paragraph (a), above, shall have the option of receiving the payment in a separate paycheck or of having all or a portion of the payment placed into their deferred compensation plan, subject in either case to any applicable tax withholdings as may be required by state and/or federal law.

(d) There shall be no duplication of the lump sum bonus payments provided herein to employees who coincidentally are subject to any other labor agreement applicable to NIRC, irrespective of the manner in which the payment is calculated or how the payment is received by the employee.

Section 4. General Wage Increases: (a) Effective July 1, 2006, all basic rates of pay in effect on June 30, 2006 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of two and one-half (2.5) percent.

(b) Effective July 1, 2007, all basic rates of pay in effect on June 30, 2007 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of two and one-half (2.5) percent.

(c) Rates of pay resulting from application of paragraphs (a) and (b), above, which end in fractions of a cent, shall be rounded to the nearest whole cent: fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest whole cent.

Section 5. Supplemental Retirement: (a) Effective January 1, 2005, the employer deferred compensation contributions as provided for in Section 3(c) of the March 16, 2001 Wage, Rule, and Benefit Agreement shall be converted to a cents-per-hour rate and paid in a manner consistent with other supplemental retirement plans for non-operating craft personnel as may be in effect with the Carrier. The cents-per-hour contribution rate shall be set at twenty-five cents (25¢) per straight-time hour as of January 1, 2005.

(b) Effective July 1, 2005, the contribution rate as set forth in paragraph (a), above, shall be increased to thirty-five cents (35¢) per straight-time hour.

(c) Effective July 1, 2006, the contribution rate as set forth in paragraph (a), above, shall be increased to forty-five cents (45¢) per straight-time hour.

(d) Effective July 1, 2007, the contribution rate as set forth in paragraph (a), above, shall be increased to fifty-five cents (55¢) per straight-time hour.

Section 6. Employment Assurance: During the term of this Agreement, the employment assurance provisions of Side Letter No. 17 of the March 16, 2001 Wage, Rule, and Benefit Agreement shall be maintained for those employees as set forth therein.

Section 7. Effect of Agreement: (a) The purpose and effect of this Agreement shall be to fix the general level of compensation, work rules and working conditions, and benefits during the period of this Agreement and is in settlement, in their entirety, of any Section 6 Notices or other proposals as may have been served by the Organization or the Carrier.

(b) This Agreement shall remain in effect through December 31, 2007 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties to this Agreement shall not serve nor progress prior to April 1, 2007 (not to become effective until January 1, 2008) any notice or proposal to amend or change any provision or appendix of the December 16, 1987 General Agreement not amended or changed by this Agreement; this Agreement itself; or any other matters not covered thereby.

(d) This provision shall not preclude the parties from entering into agreements which are mutually accepted.

Signed at Chicago, Illinois this 1st day of June, 2005.

**FOR INTERNATIONAL ASSOCIATION
MACHINISTS:**

/s/ Robert C. Moore
Robert C. Moore
General Chairman

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Philip A. Pagano
Philip A. Pagano
Executive Director

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

APPROVED:

/s/ Robert Reynolds
Robert Reynolds
President and Directing General Chairman

June 1, 2005

Side Letter No. 1

Mr. Robert C. Moore
General Chairman
International Association of Machinists
District No. 19
119 Main Street
West Chicago, Illinois 60185

Dear Sir:

With regard to Section 5 of the Wage, Rule, and Benefit Agreement, dated June 1, 2005, it is understood that the parties will work cooperatively in implementing the revised deferred compensation payment methodology as quickly as possible. The Carrier's cents-per-hour contributions to the deferred compensation plan, as provided for under Section 5, shall be made retroactively to the effective date of January 1, 2005. Such Carrier deferred compensation payments shall be made for each hour paid at the straight time rate. Accordingly, NIRC will contribute to the deferred compensation plan at the agreed to cents-per-hour rate, as set forth, up to but not exceeding a maximum of 174 hours per month for each covered employee.

It is further understood that as part of the conversion to a cents-per-hour payment arrangement, the \$500 lump sum employer contribution made coincident with the pay period ending December 31, 2004 has, in fact, been paid and, accordingly, shall serve as the final such lump sum employer contribution to the deferred compensation plan under the former payment provisions.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

THIS AGREEMENT, made this 7th day of January, 2008, by and between the Northeast Illinois Regional Commuter Railroad Corporation (NIRC) and its employees represented by the International Association of Machinists (IAM), witnesseth:

IT IS HEREBY AGREED:

Section 1. Cost of Living Adjustment: Cost of living provisions as set forth in Appendix G of the General Agreement of December 16, 1987, as amended, shall be further amended by adding new measurement and adjustment dates as follows:

Measurement Periods		Effective Date Of Adjustment
Base Month	Measurement Month	
September, 2007	September, 2008	January 1, 2009
September, 2008	September, 2009	January 1, 2010
September, 2009	September, 2010	January 1, 2011
September, 2010	September, 2011	January 1, 2012
September, 2011	September, 2012	January 1, 2013

Section 2. General Wage Increases: (a) Effective July 1, 2008, all basic rates of pay in effect on June 30, 2008 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of two (2.0) percent.

(b) Effective July 1, 2009, all basic rates of pay in effect on June 30, 2009 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of two (2.0) percent.

(c) Effective July 1, 2010, all basic rates of pay in effect on June 30, 2010 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(d) Effective July 1, 2011, all basic rates of pay in effect on June 30, 2011 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(e) Effective July 1, 2012, all basic rates of pay in effect on June 30, 2012 for employees covered by the December 16, 1987 General Agreement, as amended, shall be increased in the amount of three (3.0) percent.

(f) Rates of pay resulting from application of paragraphs (a), (b), (c), (d), and (e), above, which end in fractions of a cent, shall be rounded to the nearest whole cent: fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest whole cent.

Section 3. Supplemental Retirement: (a) Effective July 1, 2008, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to sixty cents (60¢) per each straight-time hour.

(b) Effective January 1, 2010, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to seventy cents (70¢) per each straight-time hour.

(c) Effective January 1, 2011, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to eighty cents (80¢) per each straight-time hour.

(d) Effective January 1, 2012, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to ninety cents (90¢) per each straight-time hour.

(e) Effective January 1, 2013, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to one dollar (\$1.00) per each straight-time hour.

Section 4. Health and Welfare: During the term of this Agreement, the Carrier shall remit in their entirety such premiums per qualifying employee as necessary to continue in force such nationally-negotiated Health and Welfare coverages as applicable to the Organization pursuant to its agreement with the National Carriers' Conference Committee; including specifically those coverages as currently provided under GA23000, GP12000, GA46000, R-5000 Supplemental Sickness, National Vision Plan, and Off-Track Vehicle Accident Plan.

Section 5. General Agreement Rule Changes: Effective with the date of this Agreement, the following Rules of the December 16, 1987 General Agreement, as amended, shall be further amended to the extent indicated below:

Amend Appendix I. Split Vacation to delete the appendix in its entirety and replace with a new appendix, to read as follows:

IT IS AGREED:

1. *Effective January 1, 2008, employees subject to this Agreement who have qualified for more than one week of paid vacation may elect to split their vacation and take up to two weeks of vacation time in single day increments. The election to split vacation time must be made at the time vacations are assigned for the year. Accordingly, as an example, an employee entitled to four weeks of vacation during calendar year 2008 could elect, when vacations are scheduled in 2007, to split one week or two weeks of vacation for use one day at a time. The remaining two or three weeks of vacation, as the case may be, would be assigned in the normal manner.*
2. *Each split week of vacation will provide for five (5) single days of vacation.*
3. *Vacation time taken in single day increments will be requested and granted in a manner consistent with the procedures set forth under the December 16, 1987 General Agreement for requesting and granting personal leave. Specifically, single vacation days may be taken upon forty-eight (48) hours advance notice from the employee to the proper Carrier officer provided, however, such days may be taken only when consistent with the requirements of the Carrier's service.*

4. *Single vacation days will be paid for at the regular rate of the employee's position, or the protected rate, whichever is higher.*
5. *The Carrier will have the right to fill or not fill the position of an employee who is absent for a single day of vacation. The rules of the December 16, 1987 General Agreement will apply when the Carrier elects to fill the employee's position. The Carrier will have the right to distribute the work of the employee's position among other employees covered by the General Agreement.*
6. *During the first week of November of each year, the appropriate local Carrier officials and representatives of the Organization will meet to set the vacation dates for employees who have not taken all of their single vacation days for that calendar year.*
7. *At the end of each calendar year, all unused vacation days from an employee's split vacation time will be placed in the employee's Sick Leave Reserve Account and will be handled thereafter under the provisions of Rule 57(A). Sick Leave.*
8. *All other provisions regarding Rule 50. Vacations remain unchanged as specified in the General Agreement of December 16, 1987, as amended, and all existing practices with respect to the scheduling of vacations will continue to govern.*

Signed at Chicago, Illinois this 7th day of January, 2008.

Amend **Rule 56. Bereavement Leave and Interpretations** to delete the rule in its entirety and replace with a new rule, to read as follows:

RULE 56. BEREAVEMENT LEAVE AND INTERPRETATIONS. *Bereavement leave, not in excess of three (3) consecutive work days, shall be allowed upon the death of an employee's spouse, child, brother, sister, parent, grandparent, grandchild, stepparent, stepparent-in-law, stepchild, or spouse's parent.*

An employee absent from his assignment as a result of bereavement leave will be paid for eight (8) hours at the straight-time rate for his position for each day lost during bereavement leave. Employees will make provision for such leave with their supervising official in the usual manner. Any restrictions against blanking jobs or realigning forces shall not be applicable when an employee is absent under this provision.

INTERPRETATIONS

Q-1: *What are an employee's options in deciding when to take bereavement leave?*

A-1: *The employee may elect to commence the bereavement leave on the date of death or on any work day within ten (10) calendar days after the date of death. For example: when the death occurs on June 1, the employee could elect to commence the three bereavement days on June 1. The employee could also elect to commence the three days on any work day from June 2 through June 11.*

Q-2: *How will an employee's regular days off affect the "three consecutive work days" allowed for bereavement leave?*

A-2: The "three consecutive work days" will be considered days on which the employee would otherwise have worked. For example: an employee who has a regular Monday through Friday assignment with Saturday and Sunday off would be eligible to take his three bereavement days on Thursday and Friday of one week and Monday of the following week. The employee's regular days off will not be considered in determining the three consecutive work days.

Q-3: When an employee exercises his rights in moving to a new assignment, but has not actually started working on the new assignment prior to taking bereavement leave, what assignment will be used as the basis for the employee's compensation for the bereavement days?

A-3: The employee will be allowed the same compensation he would have earned had he worked on the new assignment.

Q-4: Will a day on which an employee receives compensation under Rule 56 count as a qualifying day for purposes of holiday pay?

A-4: No. When an employee is absent for bereavement leave, however, it will be considered the same as being absent for vacation. Accordingly, the first work day preceding or following the bereavement leave, as the case may be, will be considered as the qualifying day for purposes of holiday pay.

Q-5: Would an employee be entitled to bereavement leave in connection with the death of a half-brother or half-sister, stepbrother or stepsister?

A-5: Yes as to half-brother or half-sister, no as to stepbrother or stepsister. However, the rule is applicable when a family relationship, as set forth in the Rule, is established through the legal adoption process.

Q-6: Does the three (3) work days allowance pertain to each separate instance, or do the three (3) work days refer to a total of all instances?

A-6: The Rule provides for employees to be allowed three (3) work days for each separate death. However, in all cases, the bereavement leave must commence within ten (10) calendar days of the date of death. For example, two grandparents of an employee die on June 1. The employee would be entitled to a total of six (6) bereavement days, which must commence no later than June 11.

Amend **Rule 57(A). Sick Leave** to add a new sentence between the first and second sentences of paragraph (b)(v)(1), to read as follows:

In the case of the employee's death, such payment will be made to the employee's beneficiary.

Section 6. Effect of Agreement: (a) The purpose and effect of this Agreement shall be to fix the general level of compensation, work rules and working conditions, and benefits during the period of this Agreement and is in settlement, in their entirety, of any Section 6 Notices or other proposals as may have been served by the Organization or the Carrier.

(b) This Agreement shall remain in effect through December 31, 2012 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties to this Agreement shall not serve nor progress prior to April 1, 2012 (not to become effective until January 1, 2013) any notice or proposal to amend or change any provision or appendix of the December 16, 1987 General Agreement not amended or changed by this Agreement; this Agreement itself; or any other matters not covered thereby.

(d) This provision shall not preclude the parties from entering into agreements which are mutually accepted.

Signed at Chicago, Illinois this 7th day of January, 2008.

**FOR INTERNATIONAL ASSOCIATION
MACHINISTS:**

/s/ Robert C. Moore
Robert C. Moore
General Chairman

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Philip A. Pagano
Philip A. Pagano
Executive Director

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

APPROVED:

/s/ Joseph R. Duncan (rm)
Joseph R. Duncan
President and Directing General Chairman

APPENDIX G

WAGE SCHEDULE

(Revised Effective July 1, 2010)

<u>Classification (Positions)</u>	<u>Basic Hourly Rates of Pay (1&2)</u>
Machinists	\$ 25.90
Machinist Helpers	\$ 22.85
Apprentices (Per Appendix H)	
First Period	\$ 18.13
Second Period	\$ 20.72
Third Period	\$ 23.31

Section 1. Machinist personnel in NIRCRC's service continuously on and after December 15, 1987, are preserved at the basic rates herein provided.

Section 2. NIRC employees entering service on and after December 16, 1987, in the Machinists' classification shall receive the basic rate of pay herein provided; however, employees entering service on and after December 16, 1987, as Machinist Helper or Apprentice shall be compensated at 93% of the basic rates provided herein for a period of three years from the date of their hire, after which basic rates shall become applicable.

Cost of Living Adjustment

Section 3. Employees subject to this Agreement are covered by periodic cost-of-living adjustments under the conditions as hereinafter set forth in accordance with and subject to all provisions of subsections (a) through (e), below. The basis of adjustment will be the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W) (1967 = 100), U.S. Index, all items, unadjusted," as published by the U.S. Department of Labor, Bureau of Labor Statistics. Hereinafter, such statistical base will be referred to as the BLS Consumer Price Index.

(a) Adjustments in the cost of living will be based on the change in the BLS Consumer Price Index during the respective measurement periods shown in the table below, subject to the limitations and provisions of subsections (b) through (e), below:

<u>Measurement Periods</u>		<u>Effective Date of Adjustment</u>
<u>Base Month</u>	<u>Measurement Month</u>	
September, 2007	September, 2008	January 1, 2009
September, 2008	September, 2009	January 1, 2010
September, 2009	September, 2010	January 1, 2011

September, 2010
September, 2011

September, 2011
September, 2012

January 1, 2012
January 1, 2013

(b) The gross percentage change in the BLS Consumer Price Index for any given measurement period above a 6% rise but not in excess of 12% will be converted into a cents per hour payment on the basis of the formula set forth in subsection (c) below and shall be rolled into the basic daily rates of pay.

(c) The resulting number of percentage points change in the BLS Consumer Price Index during any measurement period, as determined by subsection (b) above, shall be converted into cents on the basis of one cent equals 0.3 full points. By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after conversion will not be counted.

(d) Adjustment in the cost of living allowance, if any, shall be made in a manner coincident with the effective date of the adjustment as set forth in subsection (a). Such adjustment shall apply to straight time, overtime, vacations, holidays and to any special allowances in the same manner as basic wage adjustments are made, except that the allowance shall not apply to duplicate time payments, including arbitrations and special allowances that are expressed in time, miles, or fixed amounts of money or to mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(e) Continuance of the cost-of-living adjustments is dependent upon the availability of the official monthly BLS Consumer Price Index (CPI-W) calculated on the same basis as such index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor, should during the effective period of this Agreement revise or change the methods or basic data used in calculating the BLS Consumer Price Index in such a way as to affect the direct comparability of such revised or changed index with the CPI-W Index during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W Index during such measurement period.

Example: The total average percentage change in the BLS Consumer Price Index for the full annualized measurement period is 8.0%. Since only that increase above 6% is compensable as provided for in subsection (b), 2% will be converted into a cents per hour adjustment as provided for in the formula set out in subsection (c). This application would produce an amount equal to 6¢ per hour (2.0% divided by 0.3 = 6.66).

APPENDIX H

APPRENTICESHIPS

Memorandum of Agreement between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinists and Aerospace Workers.

IT IS AGREED:

Section 1. Apprentice positions will be established where it can be anticipated need for Machinists will exist when apprenticeship is complete. Ratio of Apprentices not to exceed one to five Machinists.

No apprentices will be hired or recalled to service while Journeyman Machinists are furloughed as a result of force reduction.

Section 2. The apprentice program shall consist of three periods, consisting of a total of 854 days of training divided as follows:

- 1st period - 244 days of compensated service
- 2nd period - 244 days of compensated service
- 3rd period - 366 days of compensated service

Section 3. All individuals entered in the training program will, when instructed, report to designated training location for periods of classroom and/or training shop instruction.

Section 4. Rates of pay for apprentices under this program shall be as follows:

- 1st Period - 70% of Machinist's Rate
- 2nd Period - 80% of Machinist's Rate
- 3rd Period - 90% of Machinist's Rate

Section 5. While engaged in classroom and/or training shop instruction apprentices will be paid at the straight time rate with a minimum of 8 hours per day, 5 days per week. Should one of the National Holidays specified in the Machinists' Agreement occur during a session on a day which would normally be a work day for the employee(s) they shall choose a mutually acceptable alternate date. The Carrier will, to the extent possible, schedule classes in weeks that do not include National Holidays.

NOTE: Training will not be scheduled on Labor Day, Thanksgiving, Christmas Eve or Christmas Day, nor on New Year's Day. When training includes any other holiday, the agreement should reflect training status on straight time pay for that day, plus the aforementioned alternate day off at some time after the training period is completed.

Apprentices covered by this Agreement sent by the Carrier outside the area comprising Cook and the five RTA collar counties for the purpose of attending training or orientation schools shall be reimbursed for necessary actual expenses for lodging, meals and travel expenses, and shall suffer no loss in pay.

Section 6. Training (a) Apprentices will, as per location, be assigned to the different types of work as will permit such apprentices to become familiar with the work of the craft normally performed at that location. Types of work assignment and periods applicable to each shall be established by location.

(b) A monthly log for apprentices will be kept at the point which will state in sufficient detail the actual experience they have gained on various phases of their work. Monthly logs will be subject to periodic review between the Carrier and the local committee in order to insure the adequacy of the apprentice's work experience and training. Such review shall be held locally on a quarterly basis.

In the event an apprentice is not making satisfactory progress, the Carrier's representative and the Local Chairman shall attempt to ascertain the cause and institute appropriate remedial action.

(c) This rule neither contemplates nor requires that, aside from the periods of classroom and/or training shop instruction referred to in Section 3, the Carrier will be required to move apprentices from one location to another in order for them to secure training in operations not performed at the location for which employed, neither does it require that the Carrier "arrange" for the performance of work of any type at a location not normally performed at that location.

Section 7. Working Conditions. (a) First period apprentices will be permitted to perform any machinist's work provided they are employed under the direct supervision of a selected machinist (including qualified set-up helper). Temporary absence of the selected machinist shall not be deemed sufficient to break the continuity of such direct supervision.

(b) Second period apprentices will be permitted to perform any machinist's work provided they are employed under the general supervision of a machinist (including qualified set-up helper). They will not be assigned on shifts on which a machinist is not employed.

(c) Third period apprentices will be permitted to perform any and all machinist's work.

(d) First period apprentices shall not be assigned to other than Monday-Friday day shift except by written agreement between the Carrier and the General Chairman.

(e) Two apprentices will not be worked together as partners.

(f) Apprentices will not be allowed to work overtime except during the last period of apprenticeship provided that all available machinists (including qualified set-up helpers) on the overtime call list have been called.

Section 8. The "selected machinist" referred to in Section 7(a) shall be designated by the Carrier after giving full consideration to the recommendations of the Organization representatives. On calendar days when the selected machinist has a first period apprentice working under his jurisdiction such machinist shall be paid an additional \$4.00 for such day.

Section 9. Employees presently in service may be allowed to enroll in the apprentice program with the understanding that those classified as machinist helpers will be given first consideration for such positions. Notice will be posted on the shop bulletin boards advising of openings in the Machinist Apprentice Program and instructing interested employees to inquire at the supervisor's office for details regarding the program.

Employee candidates expressing a desire in writing to become an apprentice will be tested by the Personnel Department for qualifications. As a vacancy in the program occurs, apprenticeship will be awarded to the senior qualified applicant.

Machinist Helpers entering the apprentice program will retain and continue to accumulate seniority as helpers. Employees of the craft so enrolling will not have their current rate of pay reduced while in the machinist apprentice program. Set-up machinist helpers presently in service entering the program will be given credit against first and/or second period apprentice day requirements for days worked as set-up machinist helpers provided that no such employee shall be given credit in excess of 4,160 hours; i.e., any and all such employees will be required to serve the entire third period of 2,080 hours and complete classroom and/or training shop instruction applicable to the craft before being eligible for an electrician seniority date. Time other than set-up machinist helper time will not be counted toward apprenticeship.

Section 10. If within the first half of his service, an apprentice does not show satisfactory progress or aptitude in learning the trade, he shall not be retained as an apprentice. There will be an examination for each six-month period, such examination to be restricted to material covered during that period. This examination, to be given under the direction of the Carrier may be a combination of written and oral questioning as well as questions on practical situations with a 75% grade being required to pass. A demonstration of ability to perform practical application of machinist's work will also be required of all trainees.

If an employee fails the first examination in any period, he will be given an opportunity within sixty (60) days to take the examination a second time. An employee who fails the examination a second time shall not be retained as an apprentice. Such disqualified apprentice with helper seniority will be permitted to take an open helper job or displace the junior most helper on the roster.

This provision supersedes the qualification and discipline rules contained in the Machinist's Agreement.

Section 11. Apprentices completing apprenticeship will forfeit Apprentice seniority and will establish seniority rights as a Machinist retroactive to date of hire as an Apprentice, notwithstanding the fact that such retroactive seniority may place him/her in a superior position to that of a Machinist entering service after the Apprentice.

Signed at Chicago, Illinois this 2nd day of December, 1987.

**FOR INTERNATIONAL ASSOCIATION OF
MACHINIST AND AEROSPACE WORKERS:**

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

APPROVED:

/s/ E.B. Kostakis
President and Directing
General Chairman

December 2, 1987

Side Letter No. 1

Mr. N. M. Muell
General Chairman
IAM
101 E. St. Charles Rd.
Villa Park, IL 60181

Dear Mr. Muell:

In connection with adoption of Appendix H of the IAM General Rules Agreement, it was further agreed that a Committee on Apprenticeships would be established composed of the IAM General Chairman, NIRC Chief Mechanical Officer and NIRC Director, Labor Relations. This Committee to meet periodically but not less than semi-annually on or about January 1st and July 1st for the purpose of considering need for rule revisions in the government of the apprentices in the service.

Please indicate your concurrence in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman

Approved:

/s/ E. B. Kostakis
President and Directing
General Chairman

November 16, 1999

Side Letter No. 2

Mr. Robert Moore
General Chairman
International Association of Machinists
101 East St. Charles Road
Suite 202
Villa Park, Illinois 60181

Dear Sir:

In the event the Carrier is unable to fill vacant Journeyman positions by employing Journeymen, and the requirements of the service are such that the Carrier determines that such positions should be filled, it is understood that employees in the third period of the apprenticeship program may be assigned to fill such vacancies. In accordance with this understanding, the parties hereby agree to the following:

Section 1. Vacant Journeyman positions will be first advertised to give current Journeyman employees the opportunity to fill such positions. If such position is not filled by a Journeyman employee, the General Chairman will be notified and employees in the third period of the apprenticeship program will be offered the opportunity to fill the position. Apprentices who have previously been assigned (set-up) to a Journeyman position will have preference to such assignments, in seniority order. Preference will then be given to other employees in the third period of the apprenticeship program, again in seniority order. The assignment of an apprentice will be made based on the employee's seniority in the apprentice class.

Section 2. Apprentices assigned to a Journeyman position under this agreement will not be given a seniority date as a Journeyman (except as provided in section 3, below) and may not voluntarily relinquish such a position. A notation will be placed on the apprentice roster next to the employee's name signifying that the employee has been set-up to a Journeyman position. Such notations will be used only for the purpose of determining an employee's preference to positions offered in accordance with section 1, above.

Section 4. Apprentices who have been assigned to a Journeyman position in accordance with this agreement will continue to participate in the classroom portion of the apprenticeship program and will be given credit towards the completion of their apprenticeship requirement for days worked on a Journeyman position.

This Letter of Understanding is not intended to relieve the Carrier of its obligation to maintain an adequate workforce or affect in any way the Carrier's commitment to the apprenticeship program.

November 16, 1999
Page Two

This Letter of Understanding may be canceled thirty (30) days after either party notifies the other of the desire to terminate this agreement. However, it is understood that the cancellation of the agreement will not affect the status of employees in the third period of the apprenticeship program would were assigned to Journeyman positions prior to the effective date of the cancellation.

Please indicate your concurrence in the space provided below.

Very truly yours,

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

Concurrence:

/s/Robert C. Moore
Robert C. Moore
General Chairman

APPENDIX I

RI & MR TRANSITION AGREEMENT

Memorandum of Agreement between the Northeast Illinois Regional Commuter Railroad Corporation (hereinafter referred to as Carrier) and International Association of Machinists and Aerospace Workers (hereinafter referred to as Organization).

IT IS AGREED:

Section 1. Effective December 16, 1987, all employees represented by the Organization in the employment of the Carrier, either from the former Rock Island or Milwaukee commuter operations, will be established on a single consolidated seniority roster in their respective classifications consistent with Rule 22 of the December 16, 1987, General Agreement with a seniority date of December 16, 1987, and ranked on such seniority roster in the relative order of their earliest continuous seniority date from their former respective Carriers.

Section 2. In establishing such consolidated seniority rosters, all former Rock Island employees shall have the initials "RI" following their names, and all former Milwaukee employees shall have the initials "MR" following their names on the consolidated seniority roster. Furthermore the former "points" where their seniority was applicable shall be indicated by location.

Section 3. On and after December 16, 1987, new hires into the respective classifications of their craft shall have their names placed on the bottom of the consolidated roster with a seniority date established pursuant to Rule 22 of the December 16, 1987, General Agreement, but with no designation following their names.

Section 4. All employees having the initials "RI" following their names shall have prior rights to bid for and secure assignment to positions regularly established by the Carrier at the identified prior rights locations on the former Rock Island territory, Chicago to Joliet. All employees who have the initials "MR" following their names shall have prior rights to bid for and secure assignment to positions regularly established by the Carrier at the identified prior rights locations on the former Milwaukee territory, Chicago to Elgin and Fox Lake.

Section 5. New positions or vacancies not filled by prior rights employees in accordance with paragraph (d) hereof, may be filled, consistent with general seniority rules by other "RI" employees bidding within the former Rock Island territory or across to the former Milwaukee territory and vice versa, or by those employees who have no prior rights designation.

Section 6. If there is a reduction of forces among employees covered hereby, Rule 19 of the December 16, 1987 General Agreement shall apply; however, it is understood that prior rights employees at their prior rights location have displacement rights thereat over all other employees.

Section 7. This Memorandum of Agreement is not, and shall not be interpreted to be, any restriction of the Carrier from having any covered employees, regardless of prior rights classification, from performing work of their respective crafts throughout the suburban commuter district consistent with rules in the December 16, 1987 General Agreement.

Signed at Chicago, Illinois, this 2nd day of December, 1987.

**FOR INTERNATIONAL ASSOCIATION OF
MACHINIST AND AEROSPACE WORKERS:**

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

APPROVED:

/s/ E.B. Kostakis
President and Directing
General Chairman

**FOR NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION:**

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

December 2, 1987

Side Letter No. 1

Mr. N. M. Muell
General Chairman
IAMW
101 E. St. Charles Rd.
Villa Park, IL 60181

Dear Mr. Muell:

Referring to NIRCRC's Section 6 Notice of October 1, 1982:

In connection with adoption of the December 16, 1987 IAM General Rules Agreement, it is understood that:

Section 1. The compensated days and years of service for former Rock Island employees hired before the effective date of the December 16, 1987 General Rules Agreement shall be used in determining eligibility for benefits such as, but not limited to, vacation and personal leave days, except as provided for in paragraph 3 herein;

Section 2. The compensated days and years of service for former Milwaukee Road employees who have entered or will enter NIRCRC service in accordance with the September 2, 1982 Transition Agreement shall be used in determining eligibility for benefits such as, but not limited to vacation and personal leave days, except as provided for in paragraph 3 herein;

Section 3. The employees listed below will use their last continuous service date with NIRCRC (as listed below) in determining eligibility for benefits such as, but not limited to, vacation and personal leave days:

<u>NAME</u>	<u>Position</u>	<u>Last Continuous Service Date With NIRC</u>
(Former Rock Island District)		
R.P. Swanson	Machinist	06-26-85
R.W. Arandato	Machinist	07-08-85
R.M. Snyder	Machinist	07-16-85
J.T. Lockart	Machinist	07-22-85
G.C. Schmitz	Machinist	07-30-85
J.K. O'Hara	Machinist	11-11-85
J.E. McCloskey	Machinist Helper	09-17-84
G.P. Darlas	Machinist Helper	02-11-86
W.J. Janes	Machinist	01-05-87
J.W. Guinn	Machinist	02-25-87

December 2, 1987
Page Two

(Former Milwaukee Territory)

R.L. Taggart	Machinist	09-28-87
R. Walker	Machinist	11-02-87

Please indicate your concurrence by affixing your signature in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman

Approved:

/s/ E. B. Kostakis
President and Directing
General Chairman

May 22, 1992

Side Letter No. 2

Mr. N. M. Muell
Asst. Pres. - Directing
General Chairman, IAM
101 E. St. Charles Rd.
Villa Park, IL 60181

NIRC File: 07-3.6

Dear Mr. Muell:

This refers to our May 21, 1992 discussion concerning the question of prior rights' entitlement for certain employees who have either just recently come out of their time as Apprentices or are about to do so, who were working as Machinist Helpers at the time the December 16, 1987 IAM Agreement was signed.

Because of the unique situation of the individuals in this case, without prejudice to the Corporation's position as to any other situation, NIRC will defer to the Organization's request that the employees below listed retain their former prior rights' designation had as Machinist Helpers as and when they establish seniority rights on the machinists' roster.

	<u>Prior Rights' Designation</u>
C. Barbee, Jr.	RI
J.G. Garza	M
J.E. McCloskey	RI
G.P. Darlas	RI

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

(Designations corrected as shown pursuant to letter dated June 1, 1992)

APPENDIX J

IC TRANSITION AGREEMENT

Memorandum of Agreement between the Commuter Rail Division of the Regional Transportation Authority and the International Association of Machinists and Aerospace Workers:

IT IS AGREED:

Effective July 1, 1988, former Illinois Central Gulf Railroad Machinists and Machinist Helpers employed on the METRA/ELECTRIC will have their rates of pay, rules and working conditions governed by the General Rules Agreement of December 16, 1987 between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinists and Aerospace Workers. That Agreement will supersede all previous Agreements, Rulings or Understandings applicable to METRA/ELECTRIC Machinists and Machinist Helpers.

<u>Classification (Positions)</u>	<u>BASIC HOURLY RATES OF PAY</u>
Machinists	\$14.70
Machinist Helpers	12.97
Apprentices (Per Appendix H)	
First Period	10.29
Second Period	11.76
Third Period	13.23

ICG Machinists and Machinist Helpers who transferred to METRA on May 1, 1987 will be compensated in their respective classifications at rates of pay shown above on and after July 1, 1988.

Signed at Chicago, Illinois this 15th day of June, 1988.

**FOR INTERNATIONAL ASSOCIATION
OF MACHINIST AND AEROSPACE
WORKERS:**

/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

**FOR COMMUTER RAILROAD DIVISION
OF THE REGIONAL TRANSPORTATION
AUTHORITY:**

/s/ James E. Cole
James E. Cole
Executive Director

June 15, 1988

Side Letter No. 1

Mr. R. L. Reynolds
Assistant to the President and
Directing General Chairman, IAM
1700 Kentucky Avenue
Room 113
Paducah, Kentucky 42001

Mr. N.M. Muell
General Chairman, IAM
101 E. St. Charles Rd.
Villa Park, IL 60181

Gentlemen:

In connection with Memorandum of Agreement of today's date between IAM and CRD-RTA, we agreed to the following:

(a) Effective July 1, 1988, Machinists and Machinist Helpers appearing on the METRA/ELECTRIC January 1, 1988 Seniority Rosters will be dovetailed with the NIRCRC Machinists and Machinist Helpers Seniority Rosters with a "constructive" seniority date of December 16, 1987 if in service on METRA/ELECTRIC continuously on and before December 16, 1987. They shall have prior rights utilizing symbol "IC" in their respective classifications. They shall be dovetailed in the relative order of their former ICG seniority dates if they transferred to METRA/ELECTRIC service on May 1, 1987 otherwise their METRA/ELECTRIC seniority date. Furthermore their seniority shall be applicable at all locations in "IC" territory. Sections (d) and (e) of Appendix F of the December 16, 1987 NIRC/IAM Agreement shall be applied to "IC" employees in the same fashion as "MR" and "RI" designated employees.

(b) Those employees who had entered METRA/ELECTRIC service after December 16, 1987 will be dovetailed on NIRC rosters in respective classification without prior rights.

(c) The Machinists and Machinist Helpers' Seniority Rosters attached hereto are examples of the revised NIRCRC July 1, 1988 consolidated seniority rosters in effect for each respective classification after applying (a) and (b) hereof.

Please indicate your concurrence in the space provided below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman

NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
MACHINISTS' SENIORITY ROSTER
JULY 1, 1988

Rank	Name	Status	Prior Rights		Former Seniority Date	NIRCRC Seniority Date
			Road	Location		
1	Lawrence, R.P.	5	MR	WA	08-02-55	12-16-87
2	Rock, H.J.		MR	WA	04-03-56	12-16-87
3	Pollaro, R., Jr.		RI	47th	10-24-56	12-16-87
4	Pfluegner, E.W.	5	MR	WA	03-24-59	12-16-87
5	Nelson, E.J.		MR	WA	06-15-59	12-16-87
6	Fuentes, J.A.		MR	WA	02-04-60	12-16-87
7	Baker, C.	5	IC	ME	12-07-61	12-16-87
8	Lopez, J.		IC	ME	09-04-62	12-16-87
9	Jordan, R.C.		IC	ME	04-02-63	12-16-87
10	Chadderdon, C.L.	5	MR	WA	06-25-63	12-16-87
11	Gotter, E.A.	5	RI	47th	06-02-64	12-16-87
12	Jerkatis, R.L.		IC	ME	07-16-65	12-16-87
13	Vaughn, R.L.		RI	47th	12-30-66	12-16-87
14	Read, N.W.	5	IC	ME	01-04-67	12-16-87
15	Gonzalez, C.		IC	ME	02-08-67	12-16-87
16	Staves, J.		IC	ME	08-08-67	12-16-87
17	Wilson, C.R.		RI	47th	11-09-67	12-16-87
18	Marron, G.M.		IC	ME	01-24-68	12-16-87
19	Hernandez, A.		RI	47th	05-09-69	12-16-87
20	White, W., Jr.		RI	47th	05-09-69	12-16-87
21	Baldwin, J., Jr.		IC	ME	10-12-69	12-16-87
22	Thomas, J.	5	IC	ME	01-14-70	12-16-87
23	Zsuppon, B.		IC	ME	03-13-70	12-16-87
24	Stubbe, J.A.		IC	ME	08-27-70	12-16-87
25	Marchese, M.A.		IC	ME	01-15-71	12-16-87
26	Cooper, W.		IC	ME	01-27-71	12-16-87
27	Lange, R.E.	5	MR	WA	05-01-71	12-16-87
28	Fontaine, J.A., Jr.		IC	ME	01-28-72	12-16-87
29	Biedzycki, R.J.		IC	ME	02-12-72	12-16-87
30	Hasan, M.H.		MR	WA	02-23-72	12-16-87
31	Luster, C.		IC	ME	07-01-72	12-16-87
32	Bruce, P.A.		IC	ME	07-01-72	12-16-87
33	Zsetenyi, T.W.	5	IC	ME	07-01-72	12-16-87
34	Stinson, J.	5	IC	ME	07-01-72	12-16-87
35	Crandall, W.P.	2	IC	ME	07-01-72	12-16-87
36	Bell, C.C.		IC	ME	07-01-72	12-16-87
37	Wilson, B.L.		RI	47th	09-23-72	12-16-87

NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
MACHINISTS' SENIORITY ROSTER
JULY 1, 1988

Rank	Name	Status	Prior Rights		Former	NIRCRC
			Road	Location	Seniority Date	Seniority Date
38	Mabane, R.		IC	ME	12-01-72	12-16-87
39	Biedzycki, E.W.		IC	ME	01-02-73	12-16-87
40	Jefferson, L.		IC	ME	02-13-73	12-16-87
41	Kiepora, E.		IC	ME	02-16-73	12-16-87
42	Clark, E.		IC	ME	03-05-73	12-16-87
43	Kingery, C.O.		IC	ME	04-16-73	12-16-87
44	Powell, D.M.		IC	ME	08-01-73	12-16-87
45	Harrison, M.		IC	ME	10-15-73	12-16-87
46	Bonner, M.L.		IC	ME	10-29-73	12-16-87
47	Richardson, W.B.		IC	ME	02-12-74	12-16-87
48	DeRosa, F.		MR	WA	03-24-74	12-16-87
49	Renshaw, L.G.		IC	ME	06-03-74	12-16-87
50	Halim, O.		MR	WA	10-04-74	12-16-87
51	King, D.		IC	ME	09-10-75	12-16-87
52	Martin, T.L.		MR	WA	07-04-76	12-16-87
53	Montgomery, J.K., Jr.		MR	WA	01-24-77	12-16-87
54	Amin, I.A.	5	IC	ME	07-02-77	12-16-87
55	Elabour, N.S.		MR	WA	12-05-78	12-16-87
56	Peralta, J.V.		RI	47th	09-28-82	12-16-87
57	Jeffers, T.F.		RI	47th	04-27-83	12-16-87
58	Bowman, B.B.		RI	47th	07-09-84	12-16-87
59	Quade, W.K.		RI	47th	07-17-84	12-16-87
60	Swanson, R.P.		RI	47th	06-26-85	12-16-87
61	Aranda, R.W.		RI	47th	07-08-85	12-16-87
62	Snyder, R.M.		RI	47th	07-16-85	12-16-87
63	Lockhart, J.T.		RI	47th	07-22-85	12-16-87
64	Schmitz, G.C.		RI	47th	07-30-85	12-16-87
65	O'Hara, J.K.		RI	47th	11-11-85	12-16-87
66	Pfluegner, S.R.		MR	WA	03-20-86	12-16-87
67	O'Campo, J.E.		MR	WA	05-05-86	12-16-87
68	Janes, W.J.		RI	47th	01-05-87	12-16-87
69	Guinn, J.W.		RI	47th	02-25-87	12-16-87
70	May, J.M.		IC	ME	08-10-87	12-16-87
71	Throw, R.W.		IC	ME	08-12-87	12-16-87
72	Sajdak, R.E.		IC	ME	08-24-87	12-16-87
73	Snyder, K.L.		IC	ME	09-21-87	12-16-87

NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
MACHINISTS' SENIORITY ROSTER
JULY 1, 1988

Rank	Name	Status	Prior Rights		Former Seniority Date	NIRCRC Seniority Date
			Road	Location		
74	Taggert, R.L.		MR	WA	09-28-87	12-16-87
75	Wacker, R.		MR	WA	11-02-87	12-16-87
76	Sheehan, M.E.		--	--	-----	01-11-88
77	Dresden, D.P.		--	--	-----	03-01-88
78	Kowlasky, M.D.		--	--	-----	04-12-88
79	Quijano, P.J.		--	--	-----	04-18-88

- (1) Disabled
- (2) Leave of Absence
- (3) Military Leave
- (4) Leave of Absence (GI Ed.)
- (5) Excepted Position
- (6) Partially Covered Position
- (7) Occupies Position Assigned Another Roster

Legend: WA = Western Avenue Diesel House
 ME = Woodcrest and 18th MU Shop
 47th = 47th Street Diesel House

**NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
MACHINISTS' HELPERS' SENIORITY ROSTER
JULY 1, 1988**

Rank	Name	Status	<u>Prior Rights</u>		Former Seniority Date	NIRCRC Seniority Date
			Road	Location		
1	Barbee, C., Jr.		RI	47th	02-27-72	12-16-87
2	Johnson, A.		MR	WA	10-25-73	12-16-87
3	Garza, J.G.		MR	WA	09-14-84	12-16-87
4	McCloskey, J.E.		RI	47th	08-05-85	12-16-87
5	Darlas, G.P.		RI	47th	02-11-86	12-16-87

- (1) Disabled
- (2) Leave of Absence
- (3) Military Leave
- (4) Leave of Absence (GI Ed.)
- (5) Excepted Position
- (6) Partially Covered Position
- (7) Occupies Position Assigned Another Roster

Legend: WA = Western Avenue Diesel House
 ME = Woodcrest and 18th MU Shop
 47th = 47th Street Diesel House

June 15, 1988

Side Letter No. 2

Mr. R. L. Reynolds
Assistant to the President and
Directing General Chairman, IAM
1700 Kentucky Avenue
Room 113
Paducah, Kentucky 42001

Dear Sir:

In connection with the Memorandum of Agreement of today's date between IAM and CRD-RTA, it was understood that the compensated days and years of service for former Illinois Central Gulf employees who transferred to Metra on May 1, 1987, and subsequent service with Metra/Electric shall be used in determining eligibility for benefits such as, but not limited to, vacation and personal leave days.

Please indicate your concurrent in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

June 15, 1988

Side Letter No. 3

Mr. R. L. Reynolds
Assistant to the President and
Directing General Chairman, IAM
1700 Kentucky Avenue
Room 113
Paducah, Kentucky 42001

Dear Sir:

In connection with the Memorandum of Agreement of today's date between IAM and CRD-RTA, it was understood that the parties intend that Rule 60 of the December 16, 1987 NIRC and IAM Agreement be applied to preserve current practices of assigning work to machinists on commuter equipment on the Metra/Electric district on and after July 1, 1988.

Please indicate your concurrent in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

June 15, 1988

Side Letter No. 4

Mr. R. L. Reynolds
Assistant to the President and
Directing General Chairman, IAM
1700 Kentucky Avenue
Room 113
Paducah, Kentucky 42001

Dear Sir:

In connection with APPPENDIX I of the December 16, 1987 General Rules Agreement between NIRCRC and the IAM applicable to Metra/Electric District employees July 1, 1988, it was agreed that the "Split Vacation" provisions of that Appendix would become applicable to the Metra/Electric employees beginning on January 1, 1989.

Please indicate your concurrence in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:
/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

(NOTE: APPENDIX I was re-lettered to APPENDIX J as part of the January 1, 2009, update of the General Rules Agreement)

June 15, 1988

Side Letter No. 5

Mr. R. L. Reynolds
Assistant to the President and
Directing General Chairman, IAM
1700 Kentucky Avenue
Room 113
Paducah, Kentucky 42001

Dear Sir:

In connection with Rule 9 of the December 16, 1987 General Rules Agreement between NIRCRC and IAM applicable to METRA/ELECTRIC District employees July 1, 1988, it was agreed that the punitive provisions of that rule would be inapplicable on the METRA/ELECTRIC between Randolph Street, Van Buren Street, and 18th Street M.U. Shop.

Please indicate your concurrence in the space provided below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Robert L. Reynolds
Robert L. Reynolds
Directing General Chairman

APPENDIX K

POWER PURCHASE ARRANGEMENTS

As a full and final settlement of the Machinists' Section 6 Notice of January 20, 1988, concerning the issue of Power Purchase Arrangements, the following is agreed to:

The Northeast Illinois Regional Commuter Railroad Corporation shall not enter into any contract or other arrangement with any other Carrier, corporation, company, or supplier, or with any other entity, person, or source whereby the Carrier will be provided with locomotive power and pursuant to which the repair, maintenance and/or overhaul of locomotives and/or parts of locomotives may be performed by persons other than employees of the Carrier represented by the IAM&AW without first obtaining the written agreement of the IAM&AW to do so or utilizing the procedures of the Railway Labor Act to justify such an arrangement.

Signed at Chicago, Illinois, this 22nd day of March, 1990.

FOR INTERNATIONAL ASSOCIATION OF MACHINIST AND AEROSPACE WORKERS:

/s/ Norbert. M. Muell

Norbert M. Muell
Asst. President-Dir.
General Chairman

/s/ Robert L. Reynolds

Robert L. Reynolds
Asst. to President-Dir.
General Chairman

/s/ E. B. Kostakis

E. B. Kostakis
President-Directing General Chairman

FOR COMMUTER RAILROAD DIVISION OF OF THE REGIONAL TRANSPORTATION AUTHORITY:

/s/ James E. Cole

James E. Cole
Executive Director

/s/ Arthur D. Dula

Arthur D. Dula
Director, Labor Relations

APPENDIX L

18TH STREET MU MECHANICAL FACILITY

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and the International Brotherhood of Electrical Workers.

Whereas, IAM, IBEW, and BRC have requested, among other things, a clarification of the procedures under which the members of their respective organizations will perform certain services at NIRC's 18th Street MU Mechanical Facility:

IT IS AGREED:

Section 1. (a) Notice will be given journeyman mechanics in the IAM, IBEW, and BRC crafts occupying positions headquartered at NIRC's 18th Street MU Mechanical Facility advising them of an opportunity to participate, as needed and directed by local supervision, in the operation of suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop, thereby becoming eligible for the daily allowance described in Section 4(a) and 4(b), as applicable.

* (b) Journeyman mechanics interested in qualifying for these allowances shall make a written declaration to participate for twelve (12) calendar months (beginning with the date of declaration) in that activity for as long as they occupy a position headquartered at NIRC's 18th Street MU Mechanical Facility. This declaration is automatically extended for each succeeding twelve (12) month's period unless the individual journeyman mechanic advises the Superintendent of Shops in writing before the end of the ninth month of his period of participation that he is withdrawing his declaration.

* (c)(i) If fewer than five journeyman mechanics in each craft declare to participate but there is an excess of declarees in the other crafts, the excess will be utilized to fulfill the requirements of Section 2(a) and Section 2(b).

* (ii) If the requirement of Section 2(a) and Section 2(b) cannot be fulfilled by Section 1(c)(i) because there are not enough declarees, then the junior most mechanic(s) in the respective crafts not already participating will be force declared alternately with IAM, then BRC, then IBEW journeyman mechanics until there is a total of fifteen (15) mechanics participating in the operation activity.

(d) Journeyman mechanics declaring their intent who are not already oriented in the operating requirements of such movements within the restricted shop area will receive such orientation before being allowed to participate in the operation of suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop. Failure to successfully complete the induction program within seven calendar days of the start of the induction program shall bar that person from the benefits of this Agreement, and Section 1(c) hereof will be utilized to provide a replacement.

Section 2. (a) The three senior journeyman mechanics from the respective IAM, IBEW, and BRC crafts will constitute a "Base Pool" of shop craft personnel available during regularly assigned

hours of their assignments to be directed by the Carrier to operate suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop.

(b) The remaining six journeyman mechanics will form a "Supplemental Pool" from which to draw replacements for and augment the "Base Pool" before utilizing personnel referred to in Section 3(b), hereof. They shall be arranged initially in numerical order based on their date of birth irrespective of their craft (ties to be broken by ranking according to the greater number of the last four digits of their Social Security Number). Subsequent replacements will take the rank order number of the person who they succeed. Journeyman mechanics in this "Supplemental Pool" will be rotated from top to bottom, beginning with number one. Any individual in this pool who is absent or otherwise unavailable will rotate to the bottom based on the next succeeding number's use.

* (c) Journeyman mechanics in their respective crafts participating as described above who leave the service, are promoted to official or supervisory positions, or exercise seniority away from 18th Street MU Shop will be replaced under the conditions of Section 1(c).

Section 3. (a) Parties signatory hereto recognize there are situations which will occur in the operation, maintenance, and repair of suburban highliner passenger equipment at 18th Street MU Shop or elsewhere that will necessitate utilization of certain expertise possessed by one or more of the personnel in the "Pools" which will cause them to not operate suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop on a given day.

(b) The fact that qualified NIRC shop personnel other than those in the "Pools" participate in operating the suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop is conceded.

Section 4. (a) Those nine journeyman mechanics in the "Base Pool" who on any day operate or who are on duty and otherwise available to operate suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop will receive an additional eight dollars (\$8.00) for the day.

(b) Journeyman mechanics in the "Supplemental Pool" who on any day are directed to operate suburban highliner passenger equipment within the restricted shop area at 18th Street MU Shop will receive an additional eight dollars (\$8.00) for the day.

Section 5. (a) This Memorandum of Agreement shall become effective November 11, 1991.

(b) By serving in writing an advance twenty (20) day notice on all parties, a single labor organization signatory to this Agreement may withdraw from this Agreement. With said twenty (20) day period, the Carrier and the remaining two organization signatories shall meet to re-allocate the numbers of journeyman mechanics who will participate in the movement of suburban highliner equipment under terms of this Agreement. In the event two of the labor organizations signatory to this Agreement withdraw in writing from this Agreement, thereby recognizing that there is insufficient workforce available from the one remaining labor organization to satisfy the requirements of Section 2(a) and 2(b), there can be an action by the Carrier triggering a twenty (20) day advance written notice to the remaining organization which will serve to terminate this Agreement. It is understood and accepted the foregoing cancellation provision does not prohibit the Carrier from singularly terminating this Agreement so long as such action is preceded by a

twenty (20) day advance written notice served upon all the parties signatory hereto. Effective with the first day after being cancelled, all parties shall be in the same status as they were on the date this agreement was signed.

* Alternative procedures apply to machinists.

{Signatures Omitted}

October 21, 1991

Side Letter No. 1

Mr. Arthur H. Gonzales
General Chairman
IBEW
P. O. Box 27390
Memphis, Tenn 38127

Mr. Richard A. Johnson
Vice President
BRC
175 W. Jackson Blvd.
Suite A-661
Chicago, IL 60604

Mr. Norbert M. Muell
Directing General Chairman
IAM
101 E. St. Charles Road
Villa Park, IL 60181

Mr. Carl A. Tingle
General Chairman
BRC
9015 Lemon Rd.
Slaughter, LA 70777

Gentlemen:

Referring to adoption of Memorandum of Agreement of today's date relative to 18th Street MU Shop, it is understood and agreed that bidding and/or displacing rules of each respective organization's agreement are unaffected by this Agreement. Furthermore, in the administration of Section 1 (d), it was agreed that in extenuating circumstances, the parties by agreement on a case-by-case basis may extend the seven calendar day period, but not for more than an additional seven calendar days.

Please signify your concurrent in the space provide below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

/s/ Richard A. Johnson
Richard A. Johnson
General Chairman, BRC

/s/ Arthur H. Gonzales
Arthur H. Gonzales
General Chairman, IBEW

/s/ Carl A. Tingle
Carl A. Tingle
General Chairman, BRC

October 21, 1991

Side Letter No. 2

Mr. Arthur H. Gonzales
General Chairman
IBEW
P. O. Box 27390
Memphis, Tenn 38127

Mr. Richard A. Johnson
Vice President
BRC
175 W. Jackson Blvd.
Suite A-661
Chicago, IL 60604

Mr. Norbert M. Muell
Directing General Chairman
IAM
101 E. St. Charles Road
Villa Park, IL 60181

Mr. Carl A. Tingle
General Chairman
BRC
9015 Lemon Rd.
Slaughter, LA 70777

Gentlemen:

Referring to adoption of Memorandum of Agreement of today's date relative to 18th Street MU Shop:

In the application of Section 1 (a), 1 (b), and 1 (c), it was agreed that the notice to journeyman mechanics headquartered at 18th Street MU Shop would be posted on Monday, October 28, 1991, and that declarees would have until 5:00 p.m. Friday, November 1, 1991, in which to make their written declaration. This Notice will be substantially in the format attached hereto.

A list of journeyman mechanics resulting from implementation of Section 1(a), 1(b), and 1(c), separated by Base Pool and Supplemental Pool, will be posted on bulletin boards at 18th Street MU Shop on Tuesday, November 5, 1991, for application of Section 4(a) and 4(b) effective November 11, 1991.

Please signify your concurrence in the space provided below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

/s/ Arthur H. Gonzales
Arthur H. Gonzales
General Chairman, IBEW

/s/ Richard A. Johnson
Richard A. Johnson
Vice President, BRC

/s/ Carl A. Tingle
Carl A. Tingle
General Chairman, BRC

October 21, 1991

Side Letter No. 3

Mr. Arthur H. Gonzales
General Chairman
IBEW
P. O. Box 27390
Memphis, Tenn 38127

Mr. Richard A. Johnson
Vice President
BRC
175 W. Jackson Blvd.
Suite A-661
Chicago, IL 60604

Mr. Norbert M. Muell
Directing General Chairman
IAM
101 E. St. Charles Road
Villa Park, IL 60181

Mr. Carl A. Tingle
General Chairman
BRC
9015 Lemon Rd.
Slaughter, LA 70777

Gentlemen:

Referring to adoption of Memorandum of Agreement of today's date relative to 18th Street MU Shop:

The parties thereto understand and agree that the special bulletin arrangement allowed for IAM machinists as evidenced by separate side letter covering the conditions thereof do not confer work jurisdiction rights to machinists.

Please signify your concurrence in the space provided below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

/s/ Richard A. Johnson
Richard A. Johnson
Vice President, BRC

/s/ Arthur H. Gonzales
Arthur H. Gonzales
General Chairman, IBEW

/s/ Carl A. Tingle
Carl A. Tingle
General Chairman, BRC

October 21, 1991

Side Letter No. 4

Mr. Arthur H. Gonzales
General Chairman
IBEW
P. O. Box 27390
Memphis, Tenn 38127

Mr. Richard A. Johnson
Vice President
BRC
175 W. Jackson Blvd.
Suite A-661
Chicago, IL 60604

Mr. Norbert M. Muell
Directing General Chairman
IAM
101 E. St. Charles Road
Villa Park, IL 60181

Mr. Carl A. Tingle
General Chairman
BRC
9015 Lemon Rd.
Slaughter, LA 70777

Gentlemen:

Referring to adoption of Memorandum of Agreement of today's date relative to 18th Street MU Shop:

This will confirm our mutual interpretation of the words "otherwise available" appearing in Section 4(a) as meaning a base pool journeyman mechanic who is on duty and performing craft work.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

October 21, 1991

Side Letter No. 5

Mr. Norbert M. Muell
Directing General Chairman - IAM
101 E. St. Charles Road
Villa Park, IL 60181

Dear Sir:

Referring to adoption of Memorandum of Agreement of today's date relative to 18th Street MU Shop:

Notwithstanding the language of Section 1(b) and 1(c) of the Memorandum of Agreement, the five journeyman machinists who will participate in the movement of highliner equipment within the restricted Mechanical Shop at 18th street shall be selected by (1) abolishing five journeyman mechanic positions headquartered at 18th Street MU Shop and (2) concurrently advertising per IAM bulletin Rule 12 five journeyman mechanic positions the bulletin of which will stipulate, in addition to their primary duties, the requirement for the incumbent to operate, as needed, suburban highliner passenger equipment within the restricted shop area at 18th street MU Shop, thereby subjecting the incumbent when so occupied to the Hours of Service Act and applicable FRA Regulations.

Furthermore, Section 2(c) shall not apply to IAM and permanent vacancies and temporary vacancies of more than thirty (30) calendar days known duration on these five journeyman mechanic positions will be filled in accordance with the IAM bulletin and assignment rules.

Please signify your concurrence in the space provided below.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman, IAM

Acknowledged:

/s/ Arthur H. Gonzales
Arthur H. Gonzales
General Chairman, IBEW

/s/ Carl A. Tingle
Carl A. Tingle
General Chairman, BRC

APPENDIX M

SUPPLEMENTAL RETIREMENT PLAN

Section 1. Effective March 16, 2001, a supplemental retirement plan shall be established for the benefit of employees covered by the General Agreement of December 16, 1987, as amended. To establish the plan, the Carrier shall make, as an employer contribution, a payment of \$250 on behalf of each employee, subject to and in service under the terms of the General Agreement, to such employee's individual 401(k) Deferred Compensation Plan account.

Section 2. The Carrier shall also make, as an employer contribution to each covered employee's individual 401(k) Deferred Compensation Plan account, an additional payment of \$500 covering each period of calendar year 1999 and calendar year 2000. To qualify for these additional employer contributions, the employee must be in service under the terms of the Agreement and must have performed compensated service pursuant to the General Agreement during the course of calendar year 1999 and calendar year 2000 respectively. Any resulting employer contributions shall be prorated in accordance with the provisions set forth below.

Section 3. Effective with the pay period ending December 31, 2001, the Carrier shall also make, as an employer contribution, an additional payment of \$250 to each covered employee's individual 401(k) Deferred Compensation account. Thereafter, effective with the pay period ending December 31 of each subsequent calendar year, the Carrier shall make, as an employer contribution, a payment of \$500 to each covered employee's individual 401(k) Deferred Compensation account.

Section 4. The additional employer contributions, as set forth above, shall be prorated based on the number of straight time hours for which an employee receives compensation as a percentage of 2,088 total straight time hours for the calendar year. Accordingly, an employee in service for the entire year would have the full payment made to his or her individual 401(k) Deferred Compensation Plan account. If, however, as an example, an employee received compensation for only six months of the year (or 1,044 hours), a payment of \$250 (or 50 percent of the full payment of \$500) would be made to his or her individual plan account. The figure of 2,088 hours per year is based on 174 hours per month. The hours which will be credited against this annual total, for purposes of calculating the payments due, shall include all hours for which compensation is received.

Section 5. To qualify for the employer contributions as set forth above, the employee must be in service under the terms of the Agreement on the effective date of the payments and must have received compensation pursuant to the General Agreement of December 16, 1987, during the course of the respective calendar year. There shall be no duplication of any payments or pyramiding of any benefits as provided for herein for employees who are coincidentally eligible to receive supplemental pension and/or retirement benefits under another agreement applicable to NIRC employees.

Section 6. To qualify for the employer contributions as set forth in Sections 2 and 3, above, the employee must be in service under the terms of the October 1, 1987 General Agreement on the effective date of the payments and must have received compensation pursuant to the General Agreement during the course of the calendar year. There shall be no duplication of any payments

or pyramiding of any benefits as provided for herein for employees who are coincidentally eligible to receive supplemental pension and/or retirement benefits under another agreement applicable to NIRC employees.

Section 7. Effective January 1, 2005, the employer deferred compensation contribution as set forth above shall be converted to a cents-per-hour rate and paid in a manner consistent with other supplemental pension and/or retirement plans for non-operating craft personnel as may be in effect with the Carrier. The cents-per-hour contribution rate shall be set at twenty-five cents (\$.25) per straight time hour as of January 1, 2005.

Section 8. Effective July 1, 2005, the contribution rate as set forth in Section 6, above, shall be increased to thirty-five cents (\$.35) per straight time hour.

Section 9. Effective July 1, 2006, the contribution rate as set forth in Section 6, above, shall be increased to forty-five cents (\$.45) per straight time hour.

Section 10. Effective July 1, 2007, the contribution rate as set forth in Section 6, above, shall be increased to fifty-five cents (\$.55) per straight time hour.

Section 11. Effective July 1, 2008, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to sixty cents (60¢) per each straight-time hour.

Section 12. Effective January 1, 2010, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to seventy cents (70¢) per each straight-time hour.

Section 13. Effective January 1, 2011, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to eighty cents (80¢) per each straight-time hour.

Section 14. Effective January 1, 2012, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to ninety cents (90¢) per each straight-time hour.

Section 15. Effective January 1, 2013, the employer paid deferred compensation contribution as set forth in Section 5 of the June 1, 2005 Wage, Rule, and Benefit Agreement shall be increased to one dollar (\$1.00) per each straight-time hour.

Section 16. All employer contribution payments as provided for herein shall be made in conformance with applicable state and federal law and subject to any tax withholdings as may be required by law.

APPENDIX N

PREVENTION PROGRAM COMPANION AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and the International Brotherhood of Machinists.

The parties to this agreement jointly recognize that safety is the paramount concern and, further, that an alcohol and drug-free environment is an essential element in maintaining a safe work place, agree to the following to ensure the most compliance with Rule "G":

Section 1. An employee who has been dismissed from service as a result of violating Rule "G" may elect to participate in the Rule "G" Rehabilitation/Education Program (Rule "G" R/E Program), provided:

- (a) The employee has had no Rule "G" offense on his or her record for at least ten (10) years; and
- (b) The employee has not participated in the Rule "G" R/E Program for at least ten (10) years; and
- (c) The incident giving rise to the dismissal did not involve significant rule violation other than Rule "G".

Section 2. Participation in the Rule "G" R/E Program shall continue for a period of 12 months unless the employee elects to withdraw from the Program or fails to follow the course of treatment established by the Employee Assistance Program (EAP) Counselor.

Section 3. A letter, notifying the employee of the availability of the Rule "G" R/E Program and containing a request form to be completed by the employee, shall be attached to the Notice of Dismissal.

Section 4. The employee may elect to participate in the Rule "G" R/E Program by completing and returning the request form to the Carrier Officer who signed the Notice of Dismissal within 72 hours of receipt of the Notice.

Section 5. The employee must contact the EAP Counselor within 72 hours of electing to participate in the Rule "G" R/E Program.

Section 6. After being contacted, the EAP Counselor shall evaluate the employee to determine whether or not the employee may safely be returned to service and the course of treatment which the employee should follow.

Section 7. If the evaluation indicates that the employee may safely be returned to service, he or she shall be returned to service on a probationary basis, with all seniority unimpaired. Following return to service, the employee must follow the course of treatment established by the EAP Counselor during the remainder of the Program.

Section 8. If the evaluation indicates that the employee may not safely be returned to service, he or she shall continue in the status of a dismissed employee until subsequent evaluation(s) indicate that it is safe to return the employee to service on a probationary basis. The employee must follow the course of treatment established by the EAP Counselor while out of service and after return to service during the remainder of the Program.

Section 9. If at any time during the 12-month period referred to in paragraph "2", the employee fails to follow the course of treatment established by the EAP Counselor, the Carrier shall remove the employee from the Program. If the employee has been returned to service, the Carrier shall, without the necessity of further disciplinary proceedings, also remove the employee from service and the employee shall revert to the status of a dismissed employee.

Section 10. An employee may withdraw from the Rule "G" R/E Program at any time by notifying, in writing, the EAP Counselor and the Carrier Officer who signed the Notice of Dismissal. If the employee has been returned to service, the Carrier shall, without the necessity of further disciplinary proceedings, remove the employee from service and the employee shall revert to the status of a dismissed employee.

Section 11. If the employee successfully completes the Rule "G" R/E Program, a notation to that effect shall be placed on the employee's Personnel Record and the employee's probationary status shall terminate and all seniority and other rights shall be restored.

Section 12. No claims shall be progressed by or on behalf of the employee based on time lost as a result of the incident leading to the employee's participating in the Rule "G" R/E Program.

Section 13. The Employee Assistance Program Counselor's recommendation to return to service under paragraph (7) shall be directed to the Carrier Officer who signed the Notice of Dismissal with copy to the General Chairman and Director of Labor Relations.

Section 14. This Agreement is effective April 1, 2002 and may be terminated by either party upon service of five (5) days written notice upon the other party.

Signed this 25th day of March, 2002

**FOR THE BROTHERHOOD
OF MACHINISTS AND
AEROSPACE WORKERS**

/s/ Robert C. Moore
Robert C. Moore
General Chairman, IAM

APPROVED:

/s/ Robert L. Reynolds (rm)
Robert L. Reynolds

**FOR THE NORTHEAST ILLINOIS
REGIONAL COMMUTER RAILROAD
CORPORATION**

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director - Corporate Administration

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

ELECTION TO PARTICIPATE IN THE
RULE G REHABILITATION/EDUCATION PROGRAM

Mr./Ms. _____
(Name of Officer Signing Notice of Dismissal)

I elect to participate in the Rule G Rehabilitation/Education Program. I understand my participation is governed by the January 15, 2002 Agreement establishing the Program. I further understand I must contact the Employee Assistance Program Counselor _____ within 72 hours of this election to participate in the R/E

(Name of Counselor)
Program.

(Name of Employee)

(Date and Time Signed)

March 25, 2002

Robert C. Moore
General Chairman, IAM
District 19
119 Main Street
West Chicago, IL 60185

Dear Sir:

Referring to Paragraph 9 of the Red Block "Companion Agreement" adopted today:

In the event an employee still in his/her twelve (12) months' probationary period voluntarily withdraws from the rule "G" R/E Program or fails to comply with the specific terms of the treatment program as established by the EAP counselor, he/she will revert to the status of a dismissed employee without necessity of further disciplinary proceedings. However, if during the twelve (12) months' probationary period, the employee engages in a new incident of suspected on-duty violation of rule "G," the matter will be investigated in the usual manner pursuant to the Discipline Rule of the Corporation's general labor contract with the International Association of Machinists.

Please acknowledge your understanding and concurrence in the space provided.

Very truly yours,

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman, IAM

RULE "G" BY-PASS AGREEMENT

AGREEMENT between the Northeast Illinois Regional Commuter Railroad Corporation and the International Association of Machinists.

ITS IS AGREED:

The parties to this agreement recognize that the use of alcohol and/or drugs is a serious problem within the railroad industry. The NIRC and the Labor Organization, in an effort to help the apparent Rule "G" violator retain an employment relationship and seek rehabilitation, jointly consider a change in the Rule "G" policy desirable. The parties hereby agree to modify the respective applicable discipline rule or rules to the extent provided. The objective of this Agreement is to encourage mutual cooperation between labor and management in addressing alcohol and drug use problems in the railroad industry.

Section 1. If any IAM represented employee believes that another IAM represented employee may be in an unsafe condition, such employee will immediately contact a Carrier officer. If the Carrier officer, upon investigation, determines there is an apparent violation of Rule "G" the employee shall be removed from service.

Section 2. Once an employee has been relieved from service under Section 1, such employee must contact the Carrier's Employee Assistance Program Counselor within 72 hours of the removal from service. If the employee contacts the Employee Assistance Program Counselor and accepts counseling, he/she will be paid for the full tour of duty on the date removed from service.

Section 3. If the employee does comply with the requirements set forth in Section 2, and the Employee Assistance Program Counselor determines that the employee is not in need of counseling, the employee shall be returned to service promptly. There shall be no claim progressed for any time lost as a result of the removal from service other than as provided in Section 2.

Section 4. If the employee does comply with the requirements set forth in Section 2, and the Employee Assistance Program Counselor determines that the employee is in need of employee assistance, and the employee accepts same, the employee accepting assistance shall be returned to service upon a favorable recommendation from the Employee Assistance Program Counselor. There shall be no claim progressed for any time lost as a result of the removal from service other than as provided in Section 2.

Section 5. If the employee does not comply with the requirements set forth in Section 2, or does not accept counseling as provided in Section 4, he/she must lay off and, if so desired, may request a formal investigation. Such request must be made within five (5) working days of the day removed from service.

Section 6. The Employee Assistance Program Counselor's recommendation to return to service under Sections 3 and 4 shall be directed to the Department Manager with copy to the General Chairman and Director of Labor Relations.

Section 7. The employee(s) who originated the action as provided in Section 1 will not be called as a Carrier witness(es) if a formal investigation is held.

Section 8. This agreement shall apply once during an employee's service, and thereafter all regular rules and agreements shall apply.

Section 9. This Agreement is effective April 1, 2002 and may be terminated by either party upon service of five (5) days written notice upon the other party.

Signed this 25th day of March, 2002.

**FOR THE BROTHERHOOD
OF MACHINISTS AND
AEROSPACE WORKERS**

/s/ Robert C. Moore
Robert C. Moore
General Chairman, IAM

**FOR THE NORTHEAST ILLINOIS
REGIONAL COMMUTER RAILROAD
CORPORATION**

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director - Corporate Administration

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

APPROVED:

/s/ Robert L. Reynolds (rm)
Robert L. Reynolds

RULE "G" BY-PASS

Date _____

Location _____

Mr./Ms. _____:

Because you have been formally charged with violation of Rule "G" and in accordance with the provisions of the applicable Agreement concerning Rule "G" By-Pass, you may now select one of the following options:

- () I will contact the Employee Assistance Program Counselor at phone number (312) 726-8620 or 1-800-227-8620 within seventy-two (72) hours of being removed from service and agree to accept and comply with the Counselor's determination(s) of participation in counseling in order to seek his favorable recommendation for my return to service.
- () I request formal investigation on the Rule "G" violation charge.

This form is being furnished to you in triplicate in order to permit you to return one copy to the undersigned as soon as possible, and should you desire, to furnish a copy to your union representative.

Supervisor

I have voluntarily selected the above-indicated option.

Signature

Date: _____

March 25th, 2002

Robert C. Moore
General Chairman, IAM
District 19
119 Main Street
West Chicago, IL 60185

Dear Sir:

Addressing the concerns expressed by your organization regarding the language set forth in Paragraph 1 of the Rule "G" By Pass Agreement:

It is not the intention of the Carrier to utilize the language of Paragraph 1 of the Rule "G" By Pass Agreement as a basis to discipline a Machinist for failing to report a fellow Machinist who he or she may "believe was in an unsafe condition" due to the use of alcohol and/or drugs. The parties recognize that the By Pass Agreement, as well as the Companion Agreement, entail considerable benefits to all concerned and that the effective administration of these agreements requires mutual trust and cooperation. It would not enhance the Carrier's efforts to get drugs and alcohol out of the work place by using the language of Paragraph 1 of the By Pass Agreement to discipline workers for failing to report other fellow workers, nor will it pursue such an avenue.

Very truly yours,

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman, IAM

SIDE LETTERS
TO
GENERAL AGREEMENT

December 2, 1987

Side Letter No. 1

Mr. N. M. Muell
General Chairman
IAMW
101 E. St. Charles Rd.
Villa Park, IL 60181

Dear Mr. Muell:

Referring to NIRCRC's Section 6 Notice of October 1, 1982:

With the adoption today of the General Rules Agreement effective December 16, 1987, all matters covered by NIRCRC's Section 6 Notice and the Organization's counterproposals have been resolved. The rules contained therein shall constitute in their entirety the Agreement between NIRCRC and the Organization governing the rates of pay, hours of service, and working conditions of machinist and will supersede all previous Agreements, Rulings or understandings applicable to NIRCRC machinist.

Please indicate your understanding and concurrence by affixing your signature in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman

Approved:

/s/ E. B. Kostakis
President and Directing
General Chairman

December 2, 1987

Side Letter No. 2

Mr. N. M. Muell
General Chairman
IAMW
101 E. St. Charles Rd.
Villa Park, IL 60181

Dear Mr. Muell:

In connection with adoption of the Classification of Work Rule in the Machinists' December 16, 1987 General Agreement, it is the intent to identify and preserve for the employees covered thereby such work as is generally performed on this property by machinists as of the date of the Agreement.

If items of work generally performed by machinists have been omitted, such omission shall not be an admission that the work is not generally recognized as machinists' work.

It is agreed that work identified in the Machinists' Classification of Work rule being performed by other crafts may continue to be performed by such other crafts on and after December 16, 1987, also that work included within the Classification of Work Rule of the crafts being performed by machinists on December 16, 1987, will not be removed from them.

Please indicate your concurrence in the space provided.

Very truly yours,

/s/ Arthur D. Dula
Arthur D. Dula
Director, Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
General Chairman

Approved:

/s/ E. B. Kostakis
President and Directing
General Chairman

April 27, 1994

Side Letter No. 3

Mr. N. M. Muell
Asst. Pres.-Directing
General Chairman, IAM
101 E. St. Charles Rd.
Villa Park, IL 60181

Mr. Carl Tingle
General Chairman, BRC
9016 Lemon Rd.
Slaughter, LA 70777

Gentlemen:

This will confirm the parties' conference on April 12, 1994, relative to the tread brake units (TBUs) on Electric District M.U. Highliner equipment.

All parties have expressed interest in resolving the distribution of work on TBUs associated with the rehabilitated Highliner equipment. The following will resolve the issue and results in no adverse effect on either craft:

Employees represented by the International Association of Machinists (IAM) at 18th Street and KYD Yard facilities will inspect TBU's on all Electric District Highliner Equipment. Machinists' work will include maintaining, disassembly, rebuilding, testing and reassembly, of TBUs on Electric District M.U. Highliner equipment after the TBUs have been removed from the trucks.

Employees represented by the Brotherhood of Railway Carmen (BRC) at 18th Street and KYD Yard facilities will adjust, remove and apply brake shoes and brake heads while the TBUs are on Electric District M.U. Highliner equipment. Carmen's work will include the removal and application of the TBU on Electric District MU Highliner Equipment.

The Corporation appreciates the cooperative efforts of both organizations and believes this amiable solution preserves the rights of the two crafts.

Very truly yours,

/s/ John S. Morse
J. S. Morse, Director
Labor Relations

Concur:

/s/ Norbert M. Muell
Norbert M. Muell
Asst. Pres.-Directing, IAM

/s/ Carl A. Tingle
Carl A. Tingle
General Chairman, BRC

March 16, 2001

Side Letter No. 4

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and application of Rule 13. Promotion to Foreman, as amended, it is understood that in the event a permanent foreman's vacancy or new position cannot be filled through the normal bulletining procedure as set forth in the Foremen's General Rules Agreement, the Carrier will post a notice in the usual locations advising journeyman mechanics of the availability of such positions and the opportunity for them to be considered for the vacancy or new position.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 5

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and application of Rule 26. Lead Workmen, as amended, the Carrier hereby offers its commitment to work with the Organization in establishing an appropriate number of lead positions at each major work location and in determining the duties to be assigned such lead positions, especially with regard to the provision of required technical assistance and expertise.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 6

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that a day on which a basic day's pay is allowed for personal employee business, pursuant to Rule 57. Personal Leave, will be considered a qualifying day for holiday pay purposes if the aforesaid personal leave day is taken the workday immediately preceding (or immediately following) the holiday in question. Accordingly, it is further agreed that previous side letters of January 18, 1995, and April 14, 1994, regarding this matter are hereby deleted from the December 16, 1987, General Agreement, as amended.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 7

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that in regard to the Sick Leave Reserve Account, as provided for in Rule 57(a). Sick Leave, as amended, any employees subject to this agreement hired after today's date will receive an initial bank of five (5) days in their Sick Leave Reserve Account, once they have completed one year of continuous service. In application of this provision, an initial bank of five (5) days will also be established for any employees subject to this agreement who were hired by the Carrier between April 14, 1994, and today's date and have completed one or more years of continuous service. If they have not completed their one year of continuous service, such employees will receive their initial bank of five (5) days once the one year of continuous service is achieved. This handling will satisfy any pending or future claims regarding the former application of the initial bank of days in the Sick Leave Reserve Account as originally provided for under previous Rule 57(a). Sick Leave.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 8

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that with respect to Rule 57(A). Sick Leave, as amended, the term "upon permanent separation from the Carrier," as referred to in paragraphs (b)(v) and (b)(vi) thereof, shall be defined as retirement pursuant to the provisions of the Railroad Retirement Act, voluntary resignation from the Carrier, and death. Dismissal for cause and transfer or promotion to another position at the Carrier would not be included. In this latter case of transfer or promotion, however, the employee would retain whatever days he or she has in his/her Reserve Account provided the employee maintains a seniority relationship with the Organization signatory hereto pursuant to Rule 13. Promotion to Foreman, of the December 16, 1987, General Agreement, as amended. Such retained accumulated days would then be "cashed out" upon the employee's permanent separation from the Carrier (i.e., death, retirement pursuant to the Railroad Retirement Act, or a total voluntary resignation from the Carrier). Otherwise, any accumulated days in the Reserve Account shall be "lost" upon the employee's forfeiting or severing his seniority relationship with the Organization.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 9

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, and specifically with reference to Rule 57(A). Sick Leave, paragraph (c), as amended, it is agreed that authorized paid leave means leave taken under applicable vacation, holiday, personal leave, jury duty, bereavement, and other authorized paid non-sick-leave provisions. Six hours of compensation on any regularly assigned work day shall constitute a work day and not detract from perfect attendance so long as the employee is authorized to work less than eight hours. Unauthorized incidents of lateness or early quits will constitute absences which detract from a perfect attendance record.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

March 16, 2001

Side Letter No. 10

Mr. Robert Moore
General Chairman
IAM
101 E. St. Charles Road
Suite 202
Villa Park, IL 60181

Dear Sir:

In connection with adoption of Wage, Rule, and Benefit Agreement today, it is agreed that with respect to Rule 57(A). Sick Leave, as amended, and the term "bona fide sickness" as used in paragraphs (a)(i) and (e), thereof, it is understood that while it is not expected that a formal doctor's certification will be required in cases of occasional illness, such use of the paid benefit day is to be only for legitimate illness or injury. If a pattern of suspected abuse arises, the carrier reserves the right to take appropriate action.

Please signify your concurrence in the space provided below.

Sincerely,

/s/ Michael J. Nielsen
Michael J. Nielsen
Senior Director, Corporate Administration

Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman

December 15, 2008

Side Letter No. 11

Robert C. Moore
General Chairman, IAM, District 19
7000 Broadway, Suite 203
Denver, CO 80221

Dear Mr. Moore:

This is in reference to the updated reprint dated January 1, 2009 of the NIRC/IAM General Agreement dated December 16, 1987, as amended.

While the parties made every attempt to include all pertinent agreements currently in effect between them, as part of the codification process the potential exists for errors, omissions and misrepresentation to have occurred.

Therefore, the published copies should be considered a representation of the party's agreements. If a conflict should occur the original document shall govern.

Very truly yours

/s/ Jeffrey L. Barton
Jeffrey L. Barton
Director, Labor Relations

I Concur:

/s/ Robert C. Moore
Robert C. Moore
General Chairman, IAM