

MEMORANDUM OF AGREEMENT

between

CSX TRANSPORTATION, INC.,

and its employees represented by

BROTHERHOOD OF RAILROAD SIGNALMEN

WHEREAS, CSX Transportation, Inc., "CSXT", is required to perform work throughout its operating system in connection with the Rail Safety Improvement Act of 2008; and,

WHEREAS, the parties have met in conference and have reached certain mutually beneficial understandings regarding the manner in which the federal mandate for Positive Train Control (PTC) Installation can be successfully accomplished,

IT IS THEREFORE AGREED:

SECTION A – HELPER CLASS

1. On the effective date of this Agreement a PTC Helper classification (PTC Helpers) will be created. Helpers will work with and under the direction of a Signaller or higher rated position.
2. Beginning on or about December 1, 2010, based on the availability of equipment, design and access to components, and then continuing approximately every three (3) weeks thereafter, CSXT shall graduate a class of approximately fifty-four (54) new signal department employees who will commence work as Helpers. These orientation and training classes will continue until a minimum of two hundred seventy four (274) new signal department employees are deployed.
3. The initial rate of pay for a Helper assigned to a PTC Installation Team will be **\$17.50** per hour, which will be adjusted periodically in accordance with applicable agreements. Employees assigned to Helper positions will receive a weekly travel allowance and daily per diem equal to that which is paid to any CSXT Signal Construction Team as identified in Section 2A(6) of CSXT Labor Agreement 15-093-98. While in training, PTC Helpers will be compensated at the above rate and shall be provided expenses as outlined in Section C, Paragraphs 2 and 3 of the Memorandum of Agreement dated April 21, 1999 CSXT Labor Agreement 15-55-99 (Apprentice Training Program). There shall be no duplication of benefits based on the two above-reference Agreements while PTC Helpers are in training.
4. Employees hired as Helpers for PTC Installation Teams and whose application is not rejected in writing within sixty (60) calendar days after first performing service, will have their name placed on a Helper roster on the respective property, as of the first day

paid. Where two or more employees have the same Helper date, they shall be ranked and listed in alphabetical order of their surnames on the Helper seniority roster.

5. Helpers will not be allowed to bid for a six-month period from the date of hire. Thereafter, upon assignment to an advertised position in a higher class, a Helper shall be entered into the Apprentice Training Program as outlined in CSXT Labor Agreement 15-55-99. Helpers will be given an Assistant Signalman and Signalman seniority date as of their date of hire. Helpers will initially only be able to use date(s) in a higher class for the purpose of bidding. Employees will not be able to displace from a Helper's position to a higher classification.
6. Subsequent Helper positions and vacancies will be advertised and awarded per the applicable property agreements.

SECTION B – PTC INSTALLATION TEAMS

1. Prior to the first graduating class of Helpers as identified in Section A, paragraph 2 above, the Carrier will advertise, on a property-by-property basis, PTC Installation Teams.
2. Initial bulletins for PTC Installation Foreman and Lead Positions shall be posted no less than thirty (30) days prior to the effective date of assignment. Assignments of Foremen and Lead positions will be made per the applicable property agreement, and will be posted with a tentative Team start date. Initial assignment to Helper positions on PTC Installation Teams will be made by the Carrier.
3. All positions that become vacant due to the creation of PTC Installation Teams, as provided for under this Agreement, will be backfilled per the applicable property agreements.
4. Upon the effective date of assignment all employees assigned to PTC Installation Teams will receive a weekly travel allowance and daily per diem equal to that which is paid to CSXT signal construction teams as identified in Section 2A(6) of CSXT Labor Agreement No. 15-093-98. Arbitraries, if applicable, will be handled in accordance with the schedule agreement.

PTC Team employees will be paid a per diem allowance of **\$45.94** (current rate) per day for each day worked, in addition to their basic hourly rate. The per diem allowance shall not be paid to an employee on a day the employee is absent or fails to notify the Supervisor or Foreman that he will be unable to report for duty at the regularly assigned time. An additional allowance of **\$59.57** (current rate) will be paid (for each week worked) to each employee who travels between work periods to his home and back to the team to defray the cost of travel. A PTC Installation Team or System Signal Construction Gangs (SSCG) will be allowed to travel up to three-hundred (300) miles off their home property and will be compensated as provided in Section 2 of CSXT Labor Agreement

No. 15-093-98. The parties agree that Side Letter No. 1 of CSXT Labor Agreement No. 15-093-98 will not apply to PTC Installation Teams that incur on other properties.

- (i) The per diem/travel allowance provided for in the paragraph above shall be subject to revision each July 1st. The increase or decrease to be made in such per diem/travel allowances at the expiration of each such 12-month period shall be based on seven (7) cents per each point of increase or decrease as may be reflected by the Cost-of-Living Index for all Items (1967=100) United States City Average For Urban Wage Earners and Clerical Employees issued by the Bureau of Labor Statistics which is received by the time the revision is due. Five-tenths (.5) of a point or more will be considered a whole point in the computation. Less than five-tenths (.5) of a point will be dropped in the computation.
 - (ii) PTC Teams will work either a four ten hour per day work schedule or an eight ten hour per day work schedule as indicated in the property agreement. A work schedule of four ten hour days will include three consecutive rest days to include Saturday and Sunday. A work schedule of eight, ten-hour days followed by six consecutive rest days is considered to be two work weeks.
5. PTC Installation Team employees shall be provided adequate time in which to eat, a minimum of thirty minutes, without loss of pay. The meal period shall be between the end of the fourth hour and the beginning of the seventh hour after starting work and as indicated on the advertising bulletin.
 6. PTC Installation Teams may be assigned to work either a four ten hour per day work schedule or an eight ten hour per day work schedule as indicated in the property agreement, or as otherwise agreed to by the parties.
 7. PTC Installation Teams, at minimum, will be comprised of one (1) Foreman and one (1) PTC Helper. If there are three (3) PTC Helpers assigned to a PTC Installation Team, the Carrier shall be required to advertise and award one (1) Leading Signaller on that team. PTC Installation Teams shall consist of no more than three (3) Helpers for each Foreman and/or Lead Signaller. If a PTC Installation Team consist exceeds six (6) Helpers a Signaller position will be added to the team, with an additional Signaller for every three (3) Helpers thereafter.

SECTION C – CSXT/BRS OVERSIGHT COMMITTEE

1. In connection with this agreement, an Oversight Committee of Carrier and Organization representatives will be established to make recommendations on matters of mutual interest related to the PTC Installation Teams. The Oversight Committee will consist of the BRS Vice President and the applicable property General Chairmen for the Organization, and the Director of Labor Relations and appropriate representatives for the Carrier.

2. The Oversight Committee will meet quarterly, or as necessary, or upon the request of either party, and at locations mutually agreeable to the parties. Expenses incurred incidental to the operation of the Oversight Committee will be borne by the party incurring them.
3. Disputes, over the interpretation or application of this agreement must be presented in writing on behalf of either the Organization or the Carrier and shall be promptly resolved through the joint meeting process above. If a dispute remains unresolved after such meeting, it shall be handled through a mutually agreed upon arbitration process within sixty (60) days of the dispute being formally presented in writing.

SECTION D – RATES of PAY

1. Upon the effective date of this agreement, all Schedule Agreements on properties of this Carrier with the BRS will be amended to provide that increases in the rates of pay and pay adjustments will occur as indicated in Attachment B, and Side Letter No.4.

SECTION E – MISCELLANEOUS


1. For convenience, reference that is made to gender in this Agreement, if any, are made in the masculine gender. It is understood and agreed by the parties to this Agreement, that references to the masculine gender include both the masculine gender and the feminine gender.
2. Copies of this Agreement and any attachments thereto, will be distributed to all active and newly hired BRS represented signal employees.
3. To the extent that this Agreement may conflict with provisions of any of the existing Schedule Agreements, or any other agreement entered into previous to the effective date of the Agreement, the provisions of this Agreement will prevail.
4. In applying rules on holidays, vacation, personal leave, bereavement leave, and jury duty to BRS represented employees working ten (10) hours per day under this Agreement; a basic day's pay will be considered ten (10) pro-rata hours.
5. The rate increases referenced in Section D above, and as indicated in Attachment B hereto, rate adjustments referred to in Attachment B and in Side Letter No.4, as well as the provisions of Attachment A, Section 2, shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act. The remaining provisions of this Agreement will expire upon conclusion of CSXT's PTC installation project or December 31, 2015, whichever occurs first. If the time frame for completion of PTC installation, as required in the Rail Safety Improvement Act of 2008, is extended past December 31, 2015, the Organization and the Carrier will meet promptly to discuss extension of this Agreement. Upon expiration of this Agreement all PTC Helper positions will be abolished.

This Agreement is made effective December 1, 2010.


Signed at Jacksonville, Florida on this 1st day of February, 2011.


AGREED:

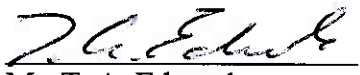
For the BRS:

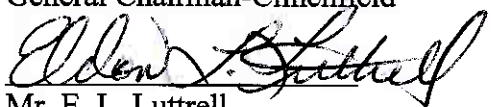

Mr. Jeffrey Beal
General Chairman-BRS/B&OCT


Mr. M. L. Efav
General Chairman-B&O



Mr. R. G. Demott
General Chairman-SCL/A&WP


Mr. W. L. Duncan
General Chairman-C&O (CD & PM)


Mr. T. A. Edwards
General Chairman-Clinchfield



Mr. E. L. Luttrell
General Chairman-Northern


Mr. W. J. Morehouse
General Chairman-RF&P

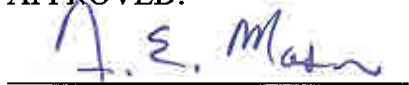

Mr. John Baecher
General Chairman-Monon


Mr. G. F. Vincent
General Chairman-L&N

For CSX Transportation:


Mr. Noel V. Nihoul
Director Labor Relations

APPROVED:


Mr. F. E. Mason
Vice President-BRS

Attachment A

Section 1 - PTC Installation Teams

- A. PTC Installation Teams will perform all aspects of positive train control installation, work generally considered within the Scope(s) of the respective schedule Agreement(s).

Section 2- Positive Train Control Work - Post Installation

- A. Following the installation of Positive Train Control Systems, as identified in Section 1 above, future installations, maintenance, and repair of such systems and equipment will accrue to BRS represented employees under the terms of the existing schedule Agreement(s).
-

Attachment B

- A. Upon the effective date of this agreement, all maintenance employees' base rates of pay will be increased by **\$1.00** per hour.

 - B. Upon the effective date of this agreement, the **\$0.85** per hour Skill Adjustment for all classifications eligible for such, will be added to and made a part of their current base rates of pay.
-

Side Letter No. 1 to CSXT Labor Agreement No. 15-063-10

October 29, 2010

Mr. Jeffrey Beal
General Chairman-BRS/B&OCT
191620 Beth Court
Oak Park, IL 60452

Mr. Michael L. Efaw
General Chairman B&O
702 Ridgely Ave,
Fairmont, WV 26554

Mr. R. G. Demott
General Chairman-BRS-SCL/AWP
P. O. Box 888
Clinton, South Carolina 29235

Mr. W. L. Duncan
General Chairman-C&O(PM and CD)
P. O. Box 99
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Mr. T. A. Edwards
General Chairman-Clinchfield
515 Fishery Loop Road
Erwin, Tennessee 37650

Mr. E. L. Luttrell
General Chairman-Northern
12460 Christiansburg-Jackson Road
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Mr. W. J. Morehouse
General Chairman-RF&P
1066 Gardenview Loop, Apt. 204
Woodbridge, Virginia 22191-1980

Mr. John Baecher
General Chairman-Monon
1582 W. County Rd 1000 North
Roachdale, IN 46172

Mr. G. F. Vincent
General Chairman-L&N
P. O. Box 367
Flintstone, Georgia 30725

Gentlemen:

During negotiations resulting in CSX Transportation Labor Agreement No. 15-063-10, the carrier indicated that the addition and modification of equipment for compliance with the RSIA of 2008 will require an increase of maintenance positions throughout its system totaling a minimum of eighty (80) new positions.

The parties recognize that Signal Maintainer territories may require asset rationalization, and the installation of Positive Train Control (PTC) and related signaling equipment will, in some cases, further increase assets on PTC designated territories. Consequently it is recognized and agreed that testing and/or maintenance procedures for signaling equipment in addition to new PTC equipment may further increase current Maintainer workload(s).

Based on the above premise, the parties further recognize that a mutually agreed to rationalization method would be beneficial to assess such assets to the extent that there is not an imbalance with the workload(s) on any one assigned territory. Further, the parties recognize that a model should be developed to accurately analyze and categorize signal maintenance territories for the purpose of identifying and monitoring the dynamics of workload(s) on a territory. Upon

written request by the General Chairman to the Director of Labor Relations, the carrier shall provide a listing of assets assigned to a specific territory.

In connection with the above beginning in February 2011 the parties agree to meet, discuss and develop a mutually agreeable and reliable system of measure for the purpose of objectively determining territory workloads and to adjust those workloads as may be necessary.

If the parties are unable to come to terms on a mutually agreed to rationalization method for the asset distribution as noted herein, the parties agree to request the services of a Mediator from the National Mediation Board (NMB).

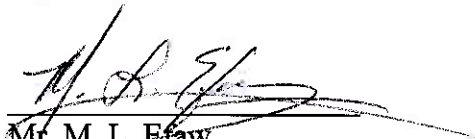
Signed at Jacksonville, Florida on this 1st of February, 2011.

AGREED:

For the BRS:



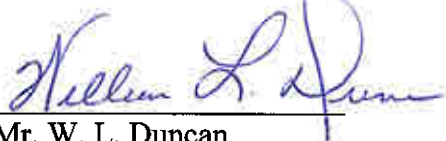
Mr. Jeffrey Beal
General Chairman-BRS/B&OCT



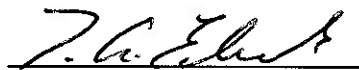
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General Chairman-Clinchfield




Mr. E. L. Luttrell
General Chairman-Northern

For CSX Transportation:




Mr. Noel V. Nihoul
Director Labor Relations


Mr. W. J. Morehouse
General Chairman-RF&P


Mr. John Baecher
General Chairman-Monon


Mr. G. F. Vincent
General Chairman-L&N

APPROVED:


Mr. F. E. Mason
Vice President-BRS

Side Letter No. 2 to CSXT Labor Agreement No. 15-063-10

October 29, 2010

Mr. Jeffrey Beal
General Chairman-BRS/B&OCT
191620 Beth Court
Oak Park, IL 60452

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General Chairman B&O
702 Ridgely Ave.
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General Chairman-L&N
P. O. Box 367
Flintstone, Georgia 30725

Gentlemen:

1) During the course of negotiations with the Brotherhood of Railroad Signalmen (BRS) regarding the implementation of the Positive Train Control initiative as mandated by the Rail Safety Improvement Act of 2008 ("RSIA"), CSX Transportation, Inc. (CSXT) agreed to hire, train and use CSXT employees represented by BRS to perform Positive Train Control (PTC) installation work in the manner provided by the Memorandum of Agreement dated November 1, 2010.

2) On April 16, 2010, CSXT filed a PTC Implementation Schedule with the FRA pursuant to the RSIA in which CSXT outlined its plan for testing and deploying PTC in a timely manner by the mandated completion date of December 31, 2015. On April 15, 2011, and thereafter, CSXT must file a progress report with the FRA indicating its compliance with the PTC Implementation Plan. Beginning on January 1, 2011, CSXT will provide BRS General Chairmen and the BRS Vice President with a monthly progress report with respect to PTC Implementation.

3) It is CSXT's intention to use CSXT employees represented by BRS to perform PTC installation work and to that end it will fill vacancies, cover attrition and increase force levels consistent with the work available, the agreement terms agreed to by the parties, and the carrier's desire to avoid over-hiring and consequent furloughs. Should it be necessary to hire outside contractors, CSXT will provide sixty (60) days notice and meet with the appropriate General Chairman and the Vice President to present reasons for the need of outside contractors before implementing any subcontracting agreement. Should the parties disagree to the necessity of using outside contractors, the carrier may nevertheless proceed with the subcontracting on that property, subject to the terms below, provided that it shall be the carrier's burden to prove that such subcontracting was necessary. The matter shall be decided by arbitration as agreed to by the parties, and if CSX fails to carry its burden that contracting was necessary, it shall pay damages equivalent to the lost work opportunity to the claimants presented by the BRS.

4) In the event contracting becomes necessary, during the duration of CSXT Labor Agreement 15-063-10, the following terms will apply:

A. CSXT assures the Organization it will hire a minimum of 274 PTC Helpers and maintain the following minimum force levels of:

- | | | |
|------|-----|---|
| (1) | 452 | BRS represented employees for SCL-AWP; |
| (2) | 292 | BRS represented employees for CSXT-Northern; |
| (3) | 176 | BRS represented employees for C&O (CD); |
| (4) | 42 | BRS represented employees for C&O(PM); |
| (5) | 259 | BRS represented employees for B&O; |
| (6) | 28 | BRS represented employees for B&OCT; |
| (7) | 257 | BRS represented employees for L&N; |
| (8) | 14 | BRS represented employees for Monon; |
| (9) | 36 | BRS represented employees for RF&P; |
| (10) | 25 | BRS represented employees for Clinchfield; and, |
| (11) | 17 | BRS represented employees for C&EI |

B. CSXT assures the Organization that these minimum force levels will be maintained for the life of the PTC Installation period, except for any substantial decline in business¹ unrelated to PTC, or emergency such as hurricane, flood, fire, and other disaster. In the unlikely event of a substantial decline in business, use of all non-CSXT employees shall be discontinued prior to the reduction of these minimum force levels. In the event of an emergency such as hurricane, flood, fire, or other disaster, use of all non-CSXT employees shall be discontinued in the disaster affected area prior to the reduction of BRS represented forces.

C. CSXT shall maintain the above minimum force levels on a given property, and CSXT may then use no more than 200 non-CSXT employees to perform

¹ A substantial decline in business is defined as a reduction in the Carrier's business in excess of 5% either in the operating revenue or in the net revenue ton miles for a given month, as compared to the same month in the prior year.

PTC Installation throughout the CSXT System. The use of non-CSXT employees shall not exceed one-half the number of employees assigned to PTC Installation Teams on that property or region.

D. Commencing on the first day that non-CSXT employees are used to perform PTC installation work on any property:

(1) All construction employees (except for PTC Helpers) shall receive a **\$0.50** per hour increase in their base rate for the life of the project as defined in Section E paragraph 5 of CSXT Labor Agreement No. 15-063-10.

(2) All maintenance employees² who:

- (a) are assigned to or move into a maintenance position, and,
- (b) have or will attain 17 years of service during the life of CSXT Labor Agreement 15-063-10

shall receive a **\$1.00** per hour increase to their base rate for as long as they remain on a maintenance position. In the event the employee voluntarily leaves his/her maintenance position for a construction position, their base rate will revert back to the rate of the applicable assigned position. Such employee will not be entitled to the above increase should they return to a maintenance position³. If an employee leaves maintenance for construction involuntarily, where remaining in maintenance would require a change in residence, i.e. the change in reporting point exceeds 50 miles from the previous reporting point, that employee's longevity increase would resume upon their return to a maintenance position.

(3) All maintenance employees² who:

- (a) are assigned to or moves into a maintenance position, and,
- (b) have or will attain 25 years of service during the life of CSXT Labor Agreement 15-063-10

shall receive a **\$2.00** per hour increase to their base rate for as long as they remain on a maintenance position. In the event the employee voluntarily leaves his/her maintenance position, their base rate will revert back to the rate of the applicable assigned position. Such employee will

² This provision does not exclude construction employees moving to maintenance.

³ This provision does not prohibit maintenance employees from changing maintenance positions.

not be entitled to the above increase should they return to a maintenance position³. If an employee leaves maintenance for construction involuntarily, where remaining in maintenance would require a change in residence, i.e. the change in reporting point exceeds 50 miles from the previous reporting point, employee's longevity increase would resume upon their return to a maintenance position.

(E) The use of non-CSXT employees shall be limited to the installation of Positive Train Control (PTC) equipment and associated circuitry.

(F) To the extent practicable, when BRS represented contractors are available, employees of the BRS represented contractor shall be used as non-CSXT employees described in this letter.

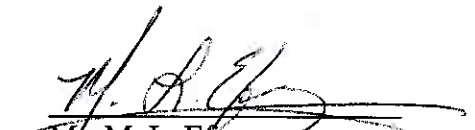
(G) For the purpose of safety, security, work quality and consistent with existing practice, CSXT will assign BRS represented employees to work with non-CSXT employees performing PTC installation work.


Signed at Jacksonville, Florida on this 1st day of February, 2011.

AGREED:

For the BRS:


Mr. Jeffrey Beal
General Chairman-BRS/B&OCT



Mr. M. L. Efav
General Chairman-B&O


Mr. R. G. Demott
General Chairman-SCL/A&WP


For CSX Transportation:


Mr. Noel V. Nihoul
Director Labor Relations


3. This provision does not prohibit maintenance employees from changing maintenance positions.


Mr. W. L. Duncan
General Chairman-C&O(CD & PM)


Mr. T. A. Edwards
General Chairman-Clinchfield

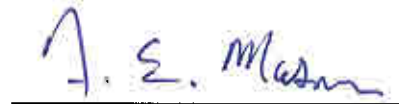

Mr. E. L. Luttrell
General Chairman-Northern


Mr. W. J. Morehouse
General Chairman-RF&P


Mr. John Baecher
General Chairman-Monon


Mr. G. F. Vincent
General Chairman-L&N

APPROVED:


Mr. F. E. Mason
Vice President-BRS

Side Letter No. 3 to CSXT Labor Agreement No. 15-063-10

October 29, 2010

Mr. Jeffrey Beal
General Chairman-BRS/B&OCT
191620 Beth Court
Oak Park, IL 60452

Mr. M. L. Efaw
Gen. Chairman, B&O
702 Ridgely Ave.
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General Chairman-Monon
1582 W. County Rd 1000 North
Roachdale, IN 46172

Mr. G. F. Vincent
General Chairman-L&N
P. O. Box 367
Flintstone, Georgia 30725

Gentlemen:

The parties reached agreement on a variety of issues in connection with CSXT Labor Agreement No. 15-063-10, its attachments, and letters. In order to avoid misunderstanding the parties have exchanged the following to clarify certain terms:

In connection with Side Letter No. 2 attached to CSXT Labor Agreement No. 15-063-10 dated October 29, 2010 that provides for subcontracting, longevity pay, and other terms, the parties agree that certain "maintenance" employees would receive longevity pay provided other terms in the letter are satisfied and that the employee(s) attain certain milestones during the term of this agreement. (The term of the agreement commences upon execution and continues until December 31, 2015, unless the term of the agreement is extended as provided for in the agreement.) This means that commencing on the first day that non-CSXT employees are used to perform PTC installation work, employee(s) who have obtained seventeen (17) years service, or who obtain that milestone during the term of this Agreement, effective on their anniversary date; and, are working or later work in *maintenance* will receive the longevity pay and will continue to receive such increase for the life of their employment, unless they voluntarily leave maintenance

positions as described in Side Letter No. 2 dated October 29, 2010, and its associated footnotes. Additionally, any employee(s) who have obtained twenty-five (25) years service, or who obtain that milestone during the life of this project as clarified above, effective on their anniversary date; and, are working or later work in *maintenance* will receive the associated longevity pay and will continue to receive such increase for the life of their employment unless they voluntarily leave maintenance positions

Maintenance positions for the purpose of this agreement, its attachments, and letters, are all non-construction positions, except for Electronic Signal Specialists working in dispatching centers (currently 10 facilities referenced in CSXT Labor Agreement No.15-036-07) and employees working in the Savannah Signal Shop. Maintenance positions include for example maintainers, testmen, electronic technicians, signal inspectors, yard employees.

The parties, however, agree that employees working in the Savannah Signal Shop and on positions of Electronic Signal Specialist in the dispatching centers are eligible for the \$1.00 per hour increase as well as any roll-in of skill differential referenced in the agreement, its attachments, and letters, as are maintenance employees.

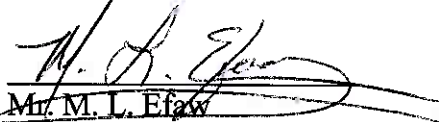
Signed at Jacksonville, Florida on this 1st day of February, 2011.

AGREED:

For the BRS:



Mr. Jeffrey Beal
General Chairman-BRS/B&OCT



Mr. M. L. Efav
General Chairman-B&O

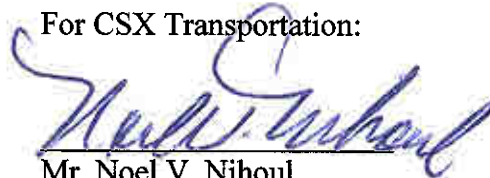


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General Chairman-C&O(CD & PM)

For CSX Transportation:



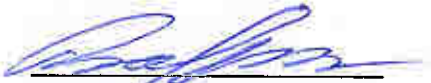
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General Chairman-Clinchfield



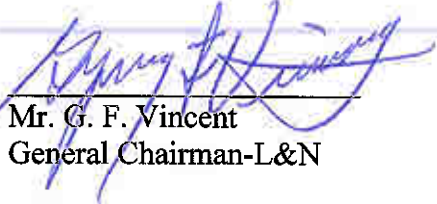
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General Chairman-Monon



Mr. G. F. Vincent
General Chairman-L&N

APPROVED:



Mr. F. E. Mason
Vice President-BRS

Side Letter No. 4 to CSXT Labor Agreement No. 15-063-10

October 29, 2010

Mr. E. L. Luttrell
General Chairman-Northern
12460 Christiansburg-Jackson Road
St. Paris, Ohio 43072

Mr. Luttrell:

Presently under the terms of the CSXT Northern Agreement, covered employees have a \$.65 Skill Adjustment rolled in to their base rate of pay; and under the terms of CSXT Labor Agreement No.15-036-07 (Dispatching Center Agreement) Electronic Signal Specialists receive \$.85 Skill Adjustment for all hours worked. The application of the following language from attachment B of this agreement,

“Upon the effective date of this agreement, the \$0.85 per hour Skill Adjustment for all classifications eligible for such, will be added to and made a part of their current base rates of pay.”

shall be applied to the CSXT Northern Agreement as follows:

- 1) Electronic Signal Specialists working at dispatching centers under the terms of CSXT Labor Agreement No. 15-036-07 will have on the effective date of this agreement, the \$0.85 per hour Skill Adjustment added to and made part of their current base rates of pay.
- 2) All other classifications (i.e except for 1 above) eligible for such (i.e. Signalman/Maintainer and above) will have on the effective date of this agreement, \$0.20 per hour Skill Adjustment added to and made part of their current base rates of pay.

Signed at Jacksonville, Florida on this the 1st day of February, 2011.

AGREED:
For the BRS:



Mr. Eldon Luttrell
General Chairman-BRS/CSXTN

For CSX Transportation:



Mr. Noel V. Nihoul
Director Labor Relations

APPROVED:



Mr. F. E. Mason
Vice President-BRS

Side Letter No. 5 to CSXT Labor Agreement No. 15-063-10

November 23, 2010

Mr. Jeffrey Beal
General Chairman-BRS/B&OCT
191620 Beth Court
Oak Park, IL 60452

Mr. Michael L. Efaw
General Chairman B&O
702 Ridgely Ave,
Fairmont, WV 26554

Mr. R. G. Demott
General Chairman-BRS-SCL/AWP
P. O. Box 888
Clinton, South Carolina 29235

Mr. W. L. Duncan
General Chairman-C&O(PM and CD)
P. O. Box 99
Jumping Branch, WV 25969

Mr. T. A. Edwards
General Chairman-Clinchfield
515 Fishery Loop Road
Erwin, Tennessee 37650

Mr. E. L. Luttrell
General Chairman-Northern
12460 Christiansburg-Jackson Road
St. Paris, Ohio 43072

Mr. W. J. Morehouse
General Chairman-RF&P
1066 Gardenview Loop, Apt. 204
Woodbridge, Virginia 22191-1980

Mr. John Baecher
General Chairman-Monon
1582 W. County Rd 1000 North
Roachdale, IN 46172

Mr. G. F. Vincent
General Chairman-L&N
P. O. Box 367
Flintstone, Georgia 30725

Gentlemen:

In recognition that CSXT Labor Agreement No. 15-063-10 provides new opportunities with respect to rates of pay and other provisions, the parties agree as follows:

A. All current or future Shop Employees in the coordinated Savannah Signal Shop will be permitted an opportunity to utilize a "one-time out" as follows:

- 1) With the effective date of CSXT Labor Agreement No 15-063-10, employees who desire to leave the Savannah Signal Shop are required to notify the Carrier in writing, with copy to their respective General Chairman, indicating that they wish to immediately or at some point exercise an option to bid in permanent positions outside of the Savannah Signal Shop.
- 2) This opportunity will only be afforded during the life of CSXT Labor Agreement No 15-063-10, including any extension of said agreement.

Employees that successfully reactivate their former seniority, or that establish seniority in accordance with the SCL Agreement by leaving the coordinated Signal Shop, will forfeit all seniority on the coordinated Signal Shop roster.

- 3) Employees in the Savannah Signal Shop who have complied with the requirements of No. 1 above, will be entitled to submit a bid for such permanent position(s) and shall be assigned in accordance with their standing on their former home road seniority roster.*
- 4) Employees assigned at the Savannah Signal Shop who have no "home" property seniority and who have complied with the requirements of No. 1 above, may be considered for positions based on the Signal Department Internal Transfer Policy as last revised.
- 5) This agreement does not alter nor negate any rights that certain employees currently possess with respect to bidding out of the Savannah Signal Shop or exercising bidding rights if furloughed.

*NOTE: The parties recognize that because of previous handling there may be a need to reconstruct home seniority rights of employees who make application as identified in No. 1 above.

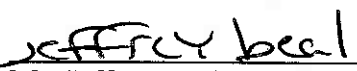
If this correctly reflects our understanding, please indicate your concurrence by your signature below.

Signed at Jacksonville, Florida on this the 1st day of February, 2011.

AGREED:


For the BRS:

For CSX Transportation:


Mr. Jeffrey Beal
General Chairman-BRS/B&OCT


Mr. Noel V. Nihoul
Director Labor Relations


Mr. E. E. E. E. E.
General Chairman-B&O

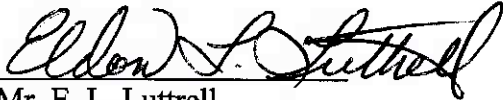

Mr. R. G. Demott
General Chairman-SCL/A&WP



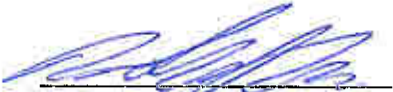
Mr. W. L. Duncan
General Chairman-C&O(CD & PM)



Mr. T. A. Edwards
General Chairman-Clinchfield



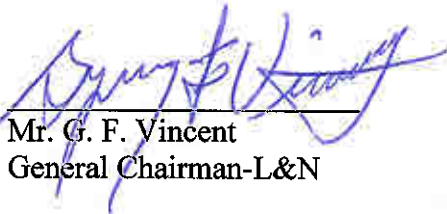
Mr. E. L. Luttrell
General Chairman-Northern



Mr. W. J. Morehouse
General Chairman-RF&P



Mr. John Baecher
General Chairman-Monon



Mr. G. F. Vincent
General Chairman-L&N

APPROVED:



Mr. F. E. Mason
Vice President-BRS

CSXT Labor Agreement No.15-063-10 Agreed to Questions and Answers

This document represents an understanding and agreement between CSX Transportation and the Brotherhood of Railroad Signalmen regarding a series of questions and answers related to CSX Transportation Labor Agreement No. 15-063-10, effective December 1, 2010.

Section A – Helper Class

- Q1. When can the Carrier establish hiring pools for Helper Class positions, and when will the helpers be hired (start training)?
- A1. Candidate pools for Helper positions can begin immediately. After the effective date of the Agreement 12/01/2010, the carrier can begin hiring Helpers, but the actual start date for the Helpers will depend upon the availability of equipment and access to components for Positive Train Control.
- Q2. What is required for training under the PTC agreement?
- A2. CSXT Labor Agreement No. 15-063-10 does not directly establish training for PTC Helpers; however, prospective candidates for Helper positions will have 1 week of training defined by the carrier. Additional training will be afforded to Helpers upon promotion under the existing working agreement.
- Q3. Are Helpers allowed to bid during their first six months of employment?
- A3. Helpers may only bid on other Helper positions during the first six months. Initial assignment to Helper positions shall be made by the Carrier (see Section B2.).
- Q4. If a maintenance position becomes available, can a PTC helper bid prior to six months?
- A4. No. The agreement prohibits Helpers from bidding for six (6) months in order to provide a stable PTC Installation workforce.
- Q5. Will new hires be allowed to pick their seniority districts?
- A5. Issues involving local seniority will be decided by the General Chairman and the Director of Labor Relations consistent with agreements. Initial placement of Helpers assigned to PTC Installation Teams will be at the carrier's discretion; however, subsequent Helper

vacancies and positions will be advertised and awarded based on the applicable property Agreement(s).

Section B – PTC Installation Teams

- Q1. When can the carrier form PTC Installation Teams?
- A1. After the effective date of CSXT Labor Agreement No. 15-063-10.
- Q2. Is the carrier permitted to use existing construction teams to perform PTC related work?
- A2. Yes
- Q3. Are PTC Installation Teams and System Signal Construction Teams (SSCT) allowed to incur 300 miles from their home district without penalty?
- A3. During the term of the Agreement, all construction teams engaged in PTC related work and PTC Installation Teams are permitted travel up to three-hundred (300) miles off their home property and will be compensated as provided in Section 2 of CSXT Labor Agreement No. 15-093-98. However, the parties agree that Side Letter No. 1 of CSXT Labor Agreement No. 15-093-98 will not apply to PTC Installation Teams and Construction Teams that incur on other properties.
- Q4. What is PTC related work?
- A4. Any work that would not be done if there were no requirement for Positive Train Control (PTC).
- Q5. Can the helpers be forced over 300 miles?
- A5. Helpers will be assigned to a property and once assigned will be subject to the 300 mile off property provision contained in the incursion agreement as amended.
- Q6. Will the PTC gangs get the weekend allowance while still on the home property?
- A6. Yes. PTC Gangs are paid the weekend travel allowance for each week worked.

Section C – CSXT/BRS Oversight Committee

No questions.

Section D – Rates of Pay

Q1. Are the new rates established by CSXT Labor Agreement No. 15-063-10 subject to future wage increases?

A1. Yes

Section E – Miscellaneous

Q1. Will BRS represented communication employees be covered by the PTC agreement?

A1. All BRS represented employees are covered by the Agreement and its terms.

Attachment A

No questions.

Attachment B

Q1. Upon the effective date of CSXT Labor Agreement No. 15-063-10, in Attachment B, all maintenance employees get a \$1.00 per hour rate increase. Side Letter No. 2 talks about the raises for 17 and 25 year employees and if they voluntarily leave maintenance they will lose the longevity raise, will they also, lose the first one dollar raise they received for being in maintenance?

A1. Upon the effective date of CSXT Labor Agreement No. 15-063-10 maintenance base rates shall increase by the \$1.00 per hour as defined by the agreement. Employees that voluntarily leave maintenance must return to maintenance to receive the applicable rate of pay.

Q2. Section B, Paragraph 4, states: " Side Letter No. 1 of CSXT Labor Agreement #15-093-98 (Flexibility/Incursion Agreement) will not apply to PTC Installation Teams that incur on other properties". Does this mean that employment levels will not have to be maintained or furloughs recalled?

A2. It means that the protective provisions requiring the maintenance of employment levels for a period of time that off property employees work on the property is waived during the PTC Agreement. There are, however, should contracting occur, specific employment levels that must be maintained as contained in Side letter No. 2; and, whether or not contractors are used, vacant positions must be filled under the provisions of the main part of the Agreement, Section A 6, states, "Subsequent Helper positions and vacancies will be advertised and awarded per the applicable property agreements."

Side Letter No.1

Q1. When will the asset rationalization discussion occur?

A1. The parties will meet in the 1st quarter of 2011 to begin discussions.

Side Letter No. 2

Q1. When are non-CSXT employees allowed on CSXT property to perform craft work related to this Agreement, and under what guidelines?

A1. Non-CSXT employees will be allowed after the carrier hires a minimum of 274 PTC Helpers.

Also, CSXT is required to serve the respective General Chairman and the BRS Vice President with a sixty (60) day advance notice, and meet to discuss its intent to use non-CSXT employees. Additionally, the carrier shall not use more than 200 non-CSXT employees throughout its system and the number of non-CSXT employees on any given property or region shall not exceed 50% of the total number of CSXT employees on PTC Installation Teams on any given property or region.

Q2. What is in the scope of work that non-CSXT employees will be permitted to perform?

A2. During the term of the Agreement, any work associated with the carrier's requirement to install PTC; however, it is clearly understood that non-CSXT employees will not perform any work on live circuits.

Q3. With respect to the implementation of PTC Installation Teams, will all subsequent vacancies be filled?

A3. All positions that become vacant due to the creation of PTC Installation Teams, as provided for under this Agreement, will be backfilled per the applicable property agreements. (See Section B 3.).

Q4. With respect to longevity pay is the 17 or 25 years of service requirement limited to the signal department, or do years in other crafts count?

A4. Eligibility for longevity pay is based on service and seniority in the CSXT Signal Department.

Q5. What BRS personnel will be assigned to be with the contractors?

A5. The personnel assigned will be consistent with Side Letter No. 2 Section G.

- Q6. If you have less than 25 years of service, you will receive the \$1.00, but if you have 25 years of service before the expiration of the agreement, do you get an additional \$2.00 or only \$1.00?
- A6. The longevity pay increase is \$1.00 for 17 years or more and \$2.00 for 25 years or more of service and seniority. For example an employee with 17 years of service, shall receiving the \$1.00 per hour increase, effective with their anniversary date, and an employee would receive an additional \$1.00 per hour increase, effective with their anniversary date when that employee attains 25 years of service and seniority.
- Q7. Does the longevity pay go away when the contractors leave the property?
- A7. The longevity pay is retained so long as the qualified employee is working in maintenance and does not voluntarily leave maintenance as defined in Side Letters No. 2 and 3.
- Q8. Are the Savannah Signal Shop and ESS employees considered maintenance employees? If yes will they get the \$1.00 and the longevity pay?
- A8. Savannah Signal Shop and ESS employees, that work in one of ten existing Dispatching Centers covered by CSXT Labor Agreement 15-036-07 (Dispatching Center Agreement), are subject to the \$1.00 per hour increase and the roll-in of skill differential but are not eligible for longevity pay unless they bid to a covered maintenance position and qualify during the term of the Agreement.
- Q9. What is included in the total number of employees (1598) identified in Section 4A of side Letter No. 2?
- A9. The number includes all maintenance and construction employees including Electronic Signal Specialists, but specifically excluding employees assigned to the Savannah Signal Shop.
- Q10. A maintenance employee with 25 years of service and seniority will get a \$2.00 per hour raise in longevity pay when the first contractor shows up any where on CSXT property, if he remains on this same position until he retires will he continue to draw this \$2.00 per hour pay raise?
- A10. Yes, so long as he continues to work on a qualified maintenance position he would continue to receive the increase.
- Q11. Will the contracting provisions expire with the expiration of the PTC Agreement?
- A11. Yes, the provisions permitting contracting expire with the Agreement.