

MEMORANDUM OF AGREEMENT
BETWEEN
THE CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY
AND
UNITED TRANSPORTATION UNION

* * * * *

It is agreed that effective December 13, 1991 the Crew Consist Rules effective September 9, 1988 are amended as follows:

ARTICLE I - OPERATION WITH LESS THAN A TWO-MEMBER CREW

A. Effective December 20, 1991, the crew consist for all road freight or yard crews shall be one conductor/foreman. Nothing in this agreement shall prohibit the Carrier from electing to use a ground service employee in addition to the conductor/foreman on a crew in road freight or yard service. Any brakeman/yard helper position established pursuant to this Section may be discontinued at the Carrier's discretion. The assignment of employees, and the exercise of seniority shall be in accordance with schedule rules and agreements, except as otherwise provided in this Agreement.

B. The Carrier may create single assignment positions (yard utility employee) to expedite and/or assist efficient yard operations. These assignments will be compensated at the yard foreman-only rate of pay and be governed by applicable yard rules, agreements and practices except that they may work with more than one yard or road crew within switching limits at the direction of proper authority. This service may include operation of a Carrier provided motor vehicle. Utility employees will not be used in relief service.

ARTICLE II - RESERVE BOARDS

A. The Carrier will establish reserve boards on each Consolidated Seniority District at extra board locations where surpluses exist. An employee's reserve board pay shall be based upon the following, whichever is greater:

1. 75% of the basic 5-day yard helper rate of pay; or
2. 75% of the employee's earnings as reflected on his or her W-2 Form for 1991.

B. In each case, the employee's reserve board rate will be calculated as an "equivalent daily rate" as described below and the employees will be paid the "equivalent daily rate" five days per week (Monday through Friday), so long as the employee is in reserve status.

1. The "equivalent daily rate" based upon the five (5) day yard rate will be 75% of the basic daily rate for a five (5) day yard helper. This amount will be subject to general wage increases.

2. The "equivalent daily rate" based upon an employee's 1991 W-2 earnings will be calculated as follows:

The employee's 1991 W-2 earnings will be divided by fifty-two (52) to arrive at a weekly rate. The weekly rate will be divided by five (5) to arrive at a daily rate. The daily rate will be multiplied by 75% to arrive at the "equivalent daily rate."

The employee's 1991 earnings will be reduced by any payments made during 1991 for lost time which occurred in work periods prior to 1991.

C. Employees who are unable to hold a position in active service at his or her extra board point on his or her Consolidated Seniority District as a result of the implementation of the changes in the Crew Consist Rules set forth in Article I above shall be entitled to reserve status as follows:

1. Employees who are "protected employees" under the Crew Consist Rules (those employees with a seniority date of September 9, 1988 and earlier) who are unable to hold a position in active service at his or her extra board point on their Consolidated Seniority District as a result of the implementation of the changes in the Crew Consist Rules set forth in Article I above may select reserve board status on their Consolidated Seniority District at extra board locations where surpluses exist.

2. Employees who are not "protected employees" under the Crew Consist Rules (those employees hired after September 9, 1988 and prior to the date of this Agreement) who are unable to hold a position in active service at his or her extra board point on their Consolidated Seniority District as a result of the implementation of the Crew Consist Rules set forth in Article I above may elect to go on the Reserve Board in their Consolidated Seniority District or be offered the right to transfer to another Consolidated Seniority District. An employee transferring at the Carrier's direction will receive a one-time moving allowance of \$15,000. If the employee is unable to hold a position in active service on the new Seniority District, the employee may select Reserve Board status on that District. Employees transferring under this option will be placed at the bottom of the roster to which transferred and will immediately surrender seniority rights on their former district. An employee who does not accept a transfer offered by the Carrier will not be permitted to continue to accept Reserve Board status in their Consolidated Seniority District. The General Chairman of the UTU and the Vice President of Labor Relations will jointly determine the appropriate number of transfers to be offered.

3. Employees who are hired after the effective date of this Agreement are not eligible for reserve board status.

D. No payments other than provided in Section A above shall be made to or on behalf of an employee in reserve status except for payment of premiums under

applicable health and welfare plans. (This will not preclude an employee on the reserve board from receiving payments on time claims. Time claim payments due, if any, will be paid in addition to the pay for reserve status.) No deductions from pay should be made on behalf of an employee in reserve status except for deductions of income, employment, or payroll taxes (including railroad retirement taxes) pursuant to federal, state or local law, deductions of dues pursuant to an applicable union shop agreement and any other deductions legally required or authorized by agreement.

E. Employees in reserve status must hold themselves available for return to active service upon fifteen (15) days' notice. Reserve status pay will continue for seven (7) calendar days from the date of notification. Date of notification will be the date the notice is received or first attempted delivery of certified mail notice to the last address on record with the Carrier's local offices, whichever date is earliest.

Employees responding to written recall and marking up "immediately" thereafter (on date the recall letter is received or first attempted delivery) will have their reserve board pay continued for seven (7) days from date the recall letter is received or first attempted delivery.

Employees responding to a telephone recall and marking up "immediately" thereafter (within four (4) hours of the telephone calls) will have their reserve board pay continued for ten (10) days from the date of the telephone recall.

These payments will be in addition to any compensation earned for service performed during the seven (7) or ten (10) day period unless recalled for service as an engineer. Employees will be offered the opportunity to return to service in seniority order with the understanding that the junior employee must accept recall.

F. Employees in reserve status will be subject to the same physical examination, rules and promotion requirement as employees who are in active service.

Failure to comply with any of these requirements which would result in the forfeiture of seniority for employees in active service will result in the same forfeiture, including all benefits under this Agreement, for employees in reserve status. Failure to comply with any of these requirements which does not result in forfeiture of seniority will result in forfeiture of entitlement to reserve board pay under this Article.

G. Other non-railroad employment while in reserve status is permissible so long as there is no conflict of interest. There shall be no offset for outside earnings.

H. Reserve status payments will be considered as compensable service in determining the compensation due for vacation. Vacation pay received while in reserve status will offset pay received under this Article. Time spent in reserve status will count in determining whether the employee is eligible for vacation in the succeeding year as well as in determining the length of vacation to which an employee, otherwise eligible, is entitled.

Employees who qualify for vacation based upon actual service (excluding reserve board time) will be assigned vacations. Employees in reserve status who have been scheduled for vacation at the time vacations were assigned will be paid therefor as assigned. Employees in reserve board status who are eligible for vacation pay based upon reserve board time but have not been assigned a vacation will be paid one week of vacation for each week of reserve status until they have been paid for their vacation eligibility. Employees who were not assigned vacations and do not receive pay for all of their vacation eligibility in reserve status will be allowed vacation, subject to the needs of service.

I. Employees in reserve status are not eligible for Holiday pay, Personal Leave days, Bereavement Leave, Jury Duty pay, or other similar allowances.

J. Employees in reserve status are covered by Health and Welfare plans, Union Shop, Dues Check-off, Discipline Rules and the Grievance Procedures that are applicable to employees in active service.

K. Positions on the reserve board will be subject to the exercise of seniority.

1. An employee exercising seniority to the reserve board must displace the junior employee assigned to that board if there is no vacancy on the board.

2. An employee who has exercised seniority to the reserve board under the provisions of this paragraph and who returns to active service (by the voluntary exercise of seniority) must remain in active service for a minimum of 30 days provided his or her seniority entitles them to do so.

3. Employees who have seniority in other crafts on the Carrier will not be eligible for reserve status so long as they could be working in the other craft.

4. Employees returning to service from leave of absence must remain in active service (seniority permitting) for a minimum of 30 days prior to exercising seniority to the reserve board.

L. Nothing in this Article shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any existing job security or other protective conditions or arrangements provided that there shall be no duplication or pyramiding of benefits to any employee.

ARTICLE III - COMPENSATION

A. Effective December 20, 1991, each ground crew member on a road freight or yard crew operated with a crew consist of one conductor/foreman and one brakeman/helper will be allowed a differential of \$18.75 per basic day in road freight and yard service, and 18.75 cents per mile for miles in excess of the basic day in freight service.

B. Effective December 20, 1991, each conductor/foreman on a road freight or yard crew operated with a crew consist of a conductor/foreman only will be allowed

a differential of \$28.75 per basic day in road freight and yard service, and 28.75 cents per mile for miles in excess of the basic day in freight service.

C. Effective December 20, 1991, the differentials provided in Sections A and B of this Article will be included in the basic daily rates, and will thereafter be subject to future general wage increases as applicable.

D. The differentials provided in Sections A and B of this Article cancel and supersede the differential provided in Article IV of the Crew Consist Rules dated September 8, 1988.

ARTICLE IV - SIGNING BONUS

A. Each employee who qualifies under the terms of Sections B, C, or D of this Article, except those receiving a separation allowance pursuant to Article V of this Agreement, will receive a lump sum payment in the gross amount of \$10,000 provided Carrier is advised that this Agreement is ratified and made effective before December 13, 1991. Employees who qualify under terms of Sections B, C or D of this Article who are still in active service on December 1, 1992 (or who have died or retired other than under Article V) will receive an additional lump sum payment in the gross amount of \$5,000 on or before December 13, 1992.

B. To be eligible to receive the payments provided under the terms of this Article, an employee must have a seniority date in train/yard service on or before December 13, 1991, be in active service as a trainman/yardman on the effective date of this Agreement, and continue in active service subsequent to the voluntary separation program in Article V.

C. Employees who do not qualify under Section B because they are on approved leaves of absences, are furloughed, or are out of service for discipline reasons will, upon returning to active service as a trainman/yardman or being assigned to the reserve board, be entitled to receive the payments provided under the terms of this Article upon completing sixty (60) calendar days in active service as a trainman/yardman or in reserve board status, or a combination of both.

D. Employees who do not qualify under Section B because they have seniority in other crafts on the Carrier and are working in one of those other crafts will, upon returning to active service as a trainman/yardman or being assigned to a reserve board, be entitled to receive the payments provided under the terms of this Article upon completing sixty (60) calendar days of active service as a trainman/yardman or in reserve board status, or combination of both.

E. Employees qualifying for the payments provided in this Article pursuant to Sections C or D will be paid the payment provided for within sixty (60) days of the date on which they become qualified for the payment.

ARTICLE V - VOLUNTARY SEPARATION

A. To expedite attrition, the Carrier shall offer the opportunity for voluntary separation for a gross amount of \$100,000 less appropriate deductions to

"protected employees" under the Crew Consist Rules (those employees with a seniority date of September 9, 1988 and earlier). Employees who are not "protected employees" under the Crew Consist Rules (those hired after September 9, 1988 and prior to the date of this Agreement) shall be offered the opportunity for voluntary separation for a gross amount of \$50,000 less appropriate deductions. The offer will be made on a system-wide basis to active train service employees (in ground service on November 20, 1991) and accepted in seniority order, not to exceed the number of positions eliminated pursuant to Article I of this Agreement.

The Carrier will immediately post a bulletin requesting offers, such offers to be received by the Carrier by December 13, 1991, to be made effective prior to December 31, 1991.

B. Employees have the option of accepting the gross amount in a lump sum or in semi-monthly installments over a period of up to 24 months. Employees accepting the option of semi-monthly installments will be eligible for the continuation of coverage under the Group Plan of Comprehensive Medical and Dental Insurance in effect for active individuals in ground service for the period of the installments (currently GA 23000 and AETNA).

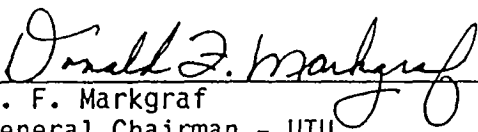
ARTICLE VI - GENERAL

A. This Agreement amends Articles II, III and IV of the Crew Consist Rules of September 9, 1988. Other provisions of those rules, unless specifically modified or amended, remain in effect.

B. The date of "May 1, 1992" contained in Article VIII Section C of the Crew Consist Rules, effective September 9, 1988, is hereby changed to "the date that the last employee hired prior to September 9, 1988 leaves the service of the Carrier."

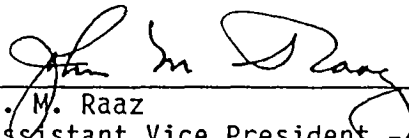
Signed in Wauwatosa, Wisconsin, this 13th day of December, 1991.

FOR THE UNITED TRANSPORTATION UNION



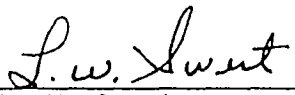
D. F. Markgraf
General Chairman - UTU

FOR THE CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY



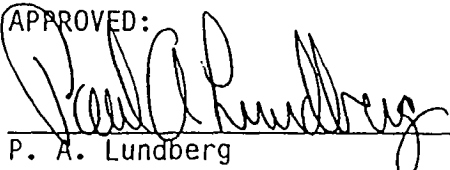
J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

APPROVED:



L. W. Swert
Assistant President - UTU

APPROVED:



P. A. Lundberg
Vice President - Labor Relations



December 13, 1991

One North Western Center
Chicago, Illinois 60606

Labor Relations Department

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 1

Dear Mr. Markgraf:

In connection with our Agreement signed today, we agreed that we would revise the graduated basis of Personal Leave Days contained in Article VI - Personal Leave Days of the Crew Consist Rules effective September 9, 1988 as follows:

<u>Years of Service</u>	<u>Personal Leave Days</u>
Less than 5 years	3 days
5 years and less than 10 years	5 days
10 years and less than 15 years	7 days
15 years and less than 20 years	9 days
20 years or more	11 days

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and North Western
Transportation Company



One North Western Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 2

Dear Mr. Markgraf:

In connection with our agreement signed today, we agreed that the subjects dealt with in both the Crew Consist Rules effective September 9, 1988, and in our agreement of today are exempt from National Handling and cannot be altered or changed by Presidential Emergency Boards or any other tribunals which settle national wage and rules negotiations. Section 6 Notices under the Railway Act, as amended, involving the Crew Consist Rules cannot be served by either party until the date that the last employee hired prior to September 9, 1988 leaves the service of the Carrier.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald E. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

Reference: Side Letter No. 3

Dear Mr. Markgraf:

This confirms our understanding in connection with our agreement signed today that employees currently on leave of absence because of their work as full-time union officials will be considered "active employees" as that term is used in the agreement so long as they are able to meet the physical and book of rules qualifications of employees in active service.

Regarding employees who may have worked part-time as union officials during calendar year of 1991, when computing their Reserve Board compensation under Article II, Section A2 of our agreement, they shall be credited with 1.5 basic day's pay at the rate of the service in which engaged at the time the employee laid off for each day the employee lost time to participate in union business. The UTU will provide the Carrier the necessary information to determine an employee's lost time for union business during the twelve month period.

Employees losing time account of Company injury in 1991 will be allowed 1.5 basic day or actual lost earnings (whichever is greater) each calendar day when the employee lost time not previously compensated for due to injuries.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

One North Western Center
Chicago, Illinois 60606

Labor Relations Department

Reference: Side Letter No. 4

Dear Mr. Markgraf:

In connection with our Agreement signed today, we agreed the Carrier shall maintain a sufficient number of extra board employees to permit reasonable lay-off privileges and to protect the service, including vacations and other extended vacancies. The Carrier will regulate the number of positions on the guaranteed extra boards established pursuant to the Crew Consist Rules effective September 9, 1988, in such a manner as to ensure that there is sufficient number of employees available to protect all vacancies and extra service.

Upon the implementation of the Crew Consist Rules, as amended on December 13, 1991, the number of extra board positions (rounded to the next higher whole number) bulletined for the exercise of seniority will be no less than 15% of the number of positions in active service for the territory protected by that extra board at that time.

The ratio of extra board positions to positions in active service will later be adjusted and established for each extra board location by agreement between the Vice President - Labor Relations and the General Chairman, based on the needs for that specific location and extra board.

Yours Truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

Reference: Side Letter No. 5

Dear Mr. Markgraf:

In reference to our agreement signed today we discussed the fact that subsequent to the Voluntary Separation program described in Article V, and the possible transfer of employees described in Article II, Section C 2, there may still exist shortages of employees at some locations on a particular Consolidated Seniority District while surpluses exist at other locations. In the event that this occurs and the Carrier wishes to transfer employees within the Consolidated Seniority District, the Carrier will offer in seniority order to employees at all of the locations on the Consolidated Seniority District where surpluses exist the opportunity to transfer to another location where a shortage exists. If there are insufficient offers to transfer to correct the shortage, junior employees at the locations where the surplus exists will be required to transfer. An employee who transfers, either voluntarily or by requirement of the Carrier, and is required to change their place of residence will be allowed a one-time moving allowance of \$15,000. An employee who accepts relocation in accordance with this letter will be required to remain at the new location for a minimum of one year provided the employee can hold a position at that location. If the employee cannot hold a position (including the extra board) at the location, they may exercise seniority to the reserve board, or to other locations.

This transfer program within the Consolidated Seniority District will continue until all Reserve Board surplus employees on each particular Consolidated Seniority District have been recalled into active service. Thereafter, the assignment of employees throughout that Consolidated Seniority District will be in accordance with schedule rules and agreements.

Yours truly,

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 6

Dear Mr. Markgraf:

In connection with our agreement signed today, we agreed that the parties will jointly determine that the operation of utility employee assignments established pursuant to Article I, Section B are being utilized in accordance with yard rules, agreements and practices. Prior to the establishment of utility employee assignments the Carrier will provide position descriptions for each assignment describing their duties and responsibilities. The utility employees' duties will be programmed in accordance with schedule rules.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 7

Dear Mr. Markgraf:

In connection with our agreement signed today, we agree that no Carrier Supervisor, Official or non-craft employee (including yardmasters) shall be used to supplant or substitute in the exclusive work of any train or yard crew working under UTU Agreements.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 8

Dear Mr. Markgraf:

In connection with our agreement signed today, we agreed that radios will be available for use for all conductors/foremen. Portable radios purchased after the effective date of this Agreement for use and carried by ground service employees in road and yard service will not exceed three pounds in weight and will be equipped with a suitable holder which will firmly hold a radio close to the body. Employees will not be held responsible for accident caused by failure of radio equipment to properly function. Carrier will be responsible for maintenance of radios and employees will not be held responsible for maintenance of radios and employees will not be held responsible for failure or malfunction of radio equipment. Sufficient frequency channels will be utilized to provide safe communication. Employees will not be required to perform service without a working radio. Employees will not be subject to discipline for not performing service without a radio.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

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Chicago and North Western
Transportation Company



One North Western Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 9

Dear Mr. Markgraf:

In connection with our agreement signed today, we agreed that the Crew Consist Agreement effective December 13, 1991 will have no affect on the administration of discipline procedures, or the amount of discipline assessed, in an effort to reduce the list of protected employees.

If at any time the Organization feels this commitment is not being honored, a prompt conference will be afforded to review the matter and appropriate steps will be taken to alleviate the complaint or complaints.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "D. F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 10

Dear Mr. Markgraf:

During our negotiations we discussed the safety aspects of crews working in accordance with our Agreement dated December 13, 1991 concerning the Crew Consist issue.

It is agreed that in situations wherein there is excessive work or when safety conditions are in evidence, it is the Carrier's responsibility to man crews in a manner that safety will not be jeopardized.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13 1991

Chicago and North Western
Transportation Company



One North Western Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 11

Dear Mr. Markgraf:

This refers to our discussion regarding the implementation and application of the Crew Consist Agreement effective December 13, 1991.

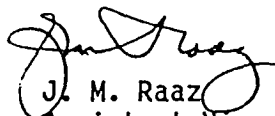
- (A) (1) There are presently employees out of service for disciplinary reasons. Should these employees return to service, they will be added to the total number of working employees for Reserve Board purposes. An employee in a dismissed status as of effective date of this agreement who is subsequently reinstated with seniority rights unimpaired shall also be eligible to apply for the separation allowance.
- (2) There are presently employees on "Leave of Absence" for medical reasons. Should these employees return to service after successfully passing the Carrier's medical examination, they will be added to the total number of working employees for Reserve Board purposes. If there are employees on the Reserve Board in the returning employee's seniority district and if the number of buyouts has not exceeded the number of positions eliminated, the employee will be eligible to apply for the separation allowance so long as that employee is able to meet the physical and book of rules qualifications of employees in active service.

Should employees under this Letter's Item "A" return to service, they shall become eligible for the signing bonuses.

- (3) There are presently employees on "Leave of Absence" for personal reasons. Ten (10) days prior to the effective date of this Agreement, such personal leaves of absence will be cancelled. These employees will have an opportunity to return to service in accord with this Agreement and be eligible for separation allowance.

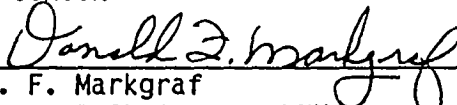
- (B) (1) There are presently employees working as a Carrier officer, yardmaster or in engine service. Should these employees return to trainman or yardman service, they will be added to the total number of working employees for Reserve Board purposes.
- (2) Should employees under this Letter return to trainman or yardman positions, they shall become eligible for a Reserve Board position through the exercise of seniority, they must work at the location of the Reserve Board for a minimum of thirty (30) days, seniority permitting, prior to being assigned.

Yours truly,



J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR



D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



December 13, 1991

One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 12

Dear Mr. Markgraf:

In connection with our agreement effective December 13, 1991 we hereby agree the following will apply in Suburban Service:

- (1) It is agreed that the Brakeman/Collector Passenger Extra Board will become a Guaranteed Extra Board identical to the Conductors Guaranteed Extra Board.
- (2) Suburban operating employees will be granted personal leave days in accordance with Article VI - Personal Leave Days of the Crew Consist Rules effective September 9, 1988, as amended by Side Letter No. 1 of this agreement, without being required to go out in freight service to attain personal days.

Yours truly,

A handwritten signature in cursive script, appearing to read "W. M. Raaz".

W. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



December 13, 1991

One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 13

Dear Mr. Markgraf:

In connection with Article I,B of our agreement effective December 13, 1991 we hereby agree that the following will apply:

- (1) Employees will not be permitted to use their personal automobile.
- (2) Employees that do not possess a valid driver's license will not be censored in any way or fashion. If employees covered by this agreement possess a valid driver's license, they will be required to comply with the agreement as written.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

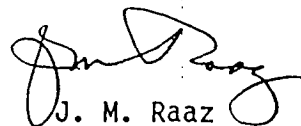
Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 14

Dear Mr. Markgraf:

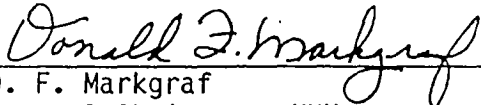
In connection with our agreement effective December 13, 1991 we hereby agree that the guaranteed extra boards established in Article V of the Crew Consist Rules will be governed by the new brakeman/helper rate of pay (conductor rate where appropriate on conductor boards) as outlined in this agreement. Penalty time claim payments will not be used to offset the Extra Board Guarantee.

Yours truly,



J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR



D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 15

Dear Mr. Markgraf:

In connection with our agreement effective December 13, 1991, we hereby agree that the following will apply:

Pursuant to the supra-mentioned agreement, no employee hired prior to the date of this agreement will be furloughed and, if they cannot hold a regular job or the extra board, they will be entitled to go to the Reserve Board.

Decline in business or economic conditions will not alleviate an employee's right to go to a Reserve Board. Reserve Board payments will be made on the regular pay periods as if they were actively working.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13 1991



One NorthWestern Center
Chicago, Illinois 60606

Labor Relations Department

December 13 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 16

Dear Mr. Markgraf:

In connection with our agreement effective December 13, 1991, we discussed the fact that we have a dispute as to the appropriate rate of pay for yardmen working as hostlers in accordance with Article XIII of the UTU National Agreement of October 31, 1985. The Carrier's position is that the appropriate rate of pay is the hostler rate while you feel it should be the yardmen's rate. We agreed that if that dispute is resolved in favor of your position, the applicable rate will be that of the yard helper as established in Article III of our agreement.

In addition, we agreed that the Carrier would not establish hostler positions for the sole purpose of removing employees from the guaranteed extra board or the reserve board. The parties will carefully monitor this situation to ensure an equitable operation.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991



December 13, 1991

One North Western Center
Chicago, Illinois 60606

Labor Relations Department

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 17

Dear Mr. Markgraf:

In connection with our agreement effective December 13, 1991, we hereby agree that the following will apply:

1. Article V - Promotion Retention of Seniority involving Trainmen must accept promotion to Conductor/Foreman when offered by the Railroad. Once promoted, Trainmen, including those already promoted, will not be permitted to voluntarily relinquish Conductor/Foreman rights.

It is hereby agreed that the supra-mentioned provision was outlined in the November 1, 1991 implementing document between the National Conference Committee and the United Transportation Union will not apply to prior right Yardmen. Prior right Yardmen will not be required to be promoted to Road Conductor. Prior right Yardmen under this premise are Yardmen in service prior to September 26, 1973.

Yours truly,

A handwritten signature in cursive script, appearing to read "J. M. Raaz".

J. M. Raaz
Assistant Vice President -
Labor Relations (Operating)

I CONCUR

A handwritten signature in cursive script, appearing to read "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

Chicago and NorthWestern
Transportation Company



One NorthWestern Center
Chicago, Illinois 60606
312.559.6695

Paul A. Lundberg
Vice President-Labor Relations

December 13, 1991

Mr. D. F. Markgraf
7420 W. State Street
Wauwatosa, WI 53213

Reference: Side Letter No. 18

Dear Mr. Markgraf:

During the discussions which led to our agreement effective December 13, 1991, we recognized the complexity and scope of the changes that the agreement will cause. We agreed that it is in our mutual interest to ensure that the implementation of the agreement is equitable, and we pledge that we will use all of our good faith efforts to ensure its success and to settle any disputes which may arise.

Yours truly,

A handwritten signature in cursive script that reads "Paul A. Lundberg".

Paul A. Lundberg
Vice President - Labor Relations

I CONCUR

A handwritten signature in cursive script that reads "Donald F. Markgraf".

D. F. Markgraf
General Chairman - UTU

Date: December 13, 1991

THE FOLLOWING ARE THE AGREED TO
QUESTIONS AND ANSWERS
TO OUR DECEMBER 13, 1991 AGREEMENT

ARTICLE I - OPERATION WITH LESS THAN A TWO MEMBER CREW

1. Q. Is it our understanding that a conductor/foreman will be provided with an operable radio while in conductor/foreman service only; this is in addition to an operable radio on the engine of assignment which the engineer is operating?
A. Yes.
2. Q. Can a conductor/foreman be required to continue to work without an operable radio; or if radio becomes bad order en route during his assignment will claimant be required to perform further work enroute without operable radio?
A. No.
3. Q. Is it correct that a conductor/foreman used in the Hours of Service relief will be allowed the conductor/foreman rate of pay?
A. Yes.
4. Q. In the creation of a utility person it is our understanding that these utility positions will be within craft lines.
A. Yes, craft lines will be preserved.
5. Q. If Carrier elects to establish a yard utility assignment and this assignment operates three days, can a ground service employee mark up on this assignment?
A. Yes, seniority prevails.
6. Q. May the Carrier establish a road utility position?
A. No.

7. Q. Is it our understanding that Carrier vehicles operated by utility employee will be in safe operating condition, including tires and exhaust systems?
- A. Yes.
8. Q. It is our understanding that a utility employee yard/foreman, will not be censored if he refuses to use a company vehicle that is not maintained in operable order?
- A. Yes.
9. Q. It is our understanding that a utility employee will not be required to work in a seniority district other than his own?
- A. Yes.
10. Q. Will a yard utility employee be used in separate and distinct yards?
- A. Yes. A yard utility employee will be assigned to a particular yard or switching district such as Proviso, or Butler, or Global I.
11. Q. It is our understanding that a Conductor/Foreman will receive Conductor/Foreman only rate of pay when the Carrier elects to use a utility person to assist their assignments?
- A. That is correct.
12. Q. It is our understanding that if Carrier adds a Brakeman/Helper to a Conductor/Foreman only assignment the Conductor/Foreman on the assignment will receive the Conductor/Foreman only rate of pay while the assignment is being filled and/or under bulletin and the Conductor/Foreman will be allowed displacing rights off the assignment the Carrier elects to fill with a Brakeman/Helper.
- A. That is correct.
13. Q. If a yard foreman is unable to continue in service during a tour of duty, will a utility employee be used to fill the foreman's vacancy?
- A. The vacancy will be filled by calling employees in accordance with schedule rules.

ARTICLE II - RESERVE BOARDS

14. Q. Do we understand correctly that the 75 percent of the five day yard helper rate and/or 75 percent of employees 1991 wages will be subject to any wage, COLA or lump sum payments provided active employees?

A. Yes.

15. Q. How will reserve boards be regulated in regards to when an employee goes on or off their reserve board for compensation under the provisions of the reserve board status?

A. If employee loses day he would be entitled to lost day.

16. Q. Do we understand correctly that when the senior employee elects to go on the reserve board, he can stay on that reserve board until recall in seniority order to active employment; however, the employee must come off the reserve board at age 62?

A. Yes, providing his seniority allows him to hold the Reserve Board.

17. Q. Do we understand correctly that a merger protected employee forced to a reserve board would collect his MEA allowance in lieu of 75 percent of the five day yard rate and/or 1991 wages?

A. Yes.

18. Q. Would a merger protected employee voluntarily on a reserve board be entitled to select as an option 75% of his MEA?

A. Yes.

19. Q. If an employee on the reserve board is recalled under the 4 hours by phone or answering a certified letter, and Carrier requires that person to take a physical and book of rules and Carrier officials cannot give the book of rules for seven to ten days will employee suffer the loss of the benefits as stated in the agreement due to Carrier delay?

A. No.

20. Q. Are employees who have seniority in other crafts and respond to recall from the Reserve Board as stated in the agreement entitled to the additional money in addition to their actual service money earned?
- A. No.
21. Q. Can the Carrier recall employees from a reserve board who have seniority in other crafts and how will this be done?
- A. Yes, in seniority order, as required by the applicable schedule rules.
22. Q. Are employees on reserve boards considered as active employees wherein they would not need to apply for a leave of absence while in reserve board status?
- A. That is correct.
23. Q. When do the requirements for a leave of absence under schedule rules take effect for an employee on a reserve board?
- A. At the time of recall from reserve status.
24. Q. Do we understand correctly that employees on reserve board status will be covered under medical and dental insurance in effect for individuals active in ground service?
- A. Yes.
25. Q. If at the implementation of this agreement an employee cannot hold a position in active service and then is forced to the reserve board, will that employee be paid for his vacation time and his reserve board pay?
- A. Claimant is entitled to which ever is greater.
26. Q. If at the implementation of this agreement employees are forced to reserve board status and have personal leave days unused from 1991, will they be paid for these personal leave days in addition to reserve board pay?
- A. Yes, if these days are properly carried over from 1991.

27. Q. If an employee exercises their right to come off the reserve board or is recalled from reserve board to active service, can they request any remaining vacation time or personal leave days after being recalled? .
- A. Yes.
28. Q. Upon return to active status from the reserve board, do the employees returning to active service get the full complement of personal leave days when returning to active service?
- A. The personal leave days will be pro-rated based on the amount of time spent on the reserve board.
29. Q. Is it our understanding that reserve board employees being recalled to active service can only be recalled to their class or craft and can not be recalled as clerk, maintenance of way, etc., other crafts?
- A. That is correct.
30. Q. Can an employee who has seniority in other crafts and entitled to a buy-out, retain seniority in other crafts.
- A. No, an employee cannot retain seniority in other crafts.
31. Q. What is the intent of the Carrier concerning prior right yardmen who have no road rights and are forced to a reserve board?
- A. They will be returned to service in accordance with schedule rules.
32. Q. If the Carrier would sell a portion of the Railroad encompassing a reserve board, where does an employee on that reserve board go and to what reserve board is he entitled to?
- A. The employee remains on the reserve board until recalled in accordance with schedule rules.
33. Q. It is our understanding that an employee on a reserve board who is required to take a book of rules or training will be entitled to the pay under schedule rules and agreements in addition to his reserve board status?
- A. Yes.

34. Q. Under the provisions of Article II,C,2, Reserve Board, will an employee who elects to transfer from one Consolidated Seniority District to another Consolidated Seniority District or an employee who transfers from one location to another location within a Consolidated Seniority District in accordance with Side Letter #5 be required to move his residence in order to qualify for the \$15,000 relocation allowance?
- A. Such employees shall receive the \$15,000 relocation allowance within thirty days after date such employee reports for service at the location to which transferring.
35. Q. Will time spent in reserve board status count toward determining whether an employee is eligible for additional weeks of vacation in succeeding years?
- A. Yes.
36. Q. If a post September 9, 1988 employee has a conductor date and transfers from one division to another division as a new hire does he retain his conductor date ahead of employee on the division to which he is transferring who has not been to conductor school nor has conductor seniority?
- A. No, he would not retain his conductor date ahead of the person he follows on the new division.
37. Q. When an employee on the reserve board is recalled and reports in the four hour period or immediately upon recall by letter, will his pay continue for the seven or ten days when one of the days being called fall on the day when he receives no compensation under the five day yard rate (Monday to Friday) or 75 percent of his 1991 earnings on Carrier formula for figuring days in which reserve board employees are paid?
- A. Yes, claimant would be entitled to the seven or ten days as stated in the agreement.
38. Q. Are we correct in assuming that Union Officers who are absent from the service in 1991 due to Union Business will be made whole using their wages or W-2 forms for 1991 in reserve board status?
- A. Yes.

39. Q. What crafts are referred to in Article II,K,3?
A. Crafts such as engineers and yardmasters.
40. Q. It is our understanding that employees dismissed from the service of the Carrier in 1990 who had earned a vacation for 1991 and were paid for this 1991 vacation time in 1990, that this vacation pay for 1991 will be added to the wages on their W-2 form for 1991 for determining their Reserve Board pay?
A. Yes, that is correct.
41. Q. It is our understanding that if the Carrier needs to recall Reserve Board employees and sends a certified letter to the employees to be recalled and then decided to recall other employees by telephone recall (4 hours) that these employees being recalled by certified letter will also be given the telephone recall (4 hours)?
A. Yes.
42. Q. What is the length of time on a Reserve Board before the employe is required to take a physical or Book of Rules before returning to active service when recalled?
A. Six (6) months.
43. Q. It is our understanding Car Retarder Operators (CRO) can exercise their seniority to the Reserve Board upon implementation of this Agreement?
A. Yes, that is correct, in accordance with our agreement of May 14, 1952. CRO's are considered yardmen for purposes of this agreement.
44. Q. It is our understanding the Carrier will furnish the General Chairman's office with a monthly list of employees on the respective Reserve Boards at each location on the system?
A. Yes, a list will be furnished the General Chairman's Office once a month.
45. Q. Will Reserve Boards be reestablished in accordance with Side Letter #15 when required?
A. Yes.

46. Q. If an employee fails to respond to recall in accordance with Article II E and F, will they then be governed by their respective rules pertaining to return to service?
- A. Yes.

ARTICLE III COMPENSATION PARAGRAPH C STATES THEREAFTER THE DIFFERENTIALS PROVIDED IN SECTION A AND B WILL BE SUBJECT TO FUTURE GENERAL WAGE INCREASES AS APPLICABLE.

47. Q. Are we correct in assuming this includes COLA and any lump sum benefits due?
- A. Yes.
48. Q. It is our understanding that the basic daily rate for Car Retarder Operators (CRO) increases with the basic daily rate agreed to in this Agreement?
- A. Yes, that is correct.
49. Q. Will car count rates be revised by the amount of the new rates?
- A. Yes.

ARTICLE IV SIGNING BONUS

50. Q. Are we correct in assuming under paragraph B of Article IV that train/yard, CRO's and full time Union Officers are considered as being in active service?
- A. Yes.
51. Q. Under paragraph C and D of Article IV, are we correct that employees on approved leave of absence, furlough, or out of service for discipline reasons and those employees that have seniority in other crafts will qualify under the sixty day provision by being in active service and/or reserve board status a combination of both equaling sixty days?
- A. Yes.

ARTICLE V VOLUNTARY SEPARATION

52. Q. Do we understand it correctly that Carrier cannot force employees to reserve board status without offering buy-out to all employees?

A. Yes.

53. Q. Under B of Article V, Voluntary Separation, do we understand it correctly that employees have an option of accepting the gross amount in semi-monthly installments over a period of twenty-four months, an employee accepting the option of semi-monthly installments will be eligible for the continuation of health insurance benefits under the medical and dental insurance coverage (currently GA-23000 and Aetna) in effect for employees active in their craft for the period of the installments?

A. Yes.

54. Q. Under B of Article V, Voluntary Separation, if an employee elects to spread over two years his buy-out in semi-monthly installments and dies, do we understand that the remaining payments shall be paid to the employee's estate for the balance of the term?

A. Yes.

55. Q. Will an employee who is currently furloughed (not on leave of absence) be considered "in active service" for purposes of Article V?

A. Yes.

56. Q. Is the application of Question and Answer number 51 in accordance with the employee's seniority?

A. Yes.

57. Q. Will employee accepting separation in accordance with Article V be considered for re-employment?

A. No.

ARTICLE VII GENERAL

58. Q. Do any provisions of this agreement change and/or modify the application of any employee and/or labor protection agreement under schedule rules and agreements?
- A. No.
59. Q. May the Carrier use any provisions of this agreement to change and/or modify the December 19, 1968 Merger Agreement.
- A. No.
60. Q. Do flagman/pilot come under the conductor/foreman rate of pay?
- A. Yes.

Conference Between Carrier Representatives, Paul Lundberg and John Raaz, Organization Members, Don Markgraf, Dave Haack and Darrell Hinrichsen

Pursuant to sending the proposed Crew Consist Agreement out for ratification, several questions were propounded to the Organization by their Membership and in conference with the Carrier Representatives and confirmed on December 16, 1991, we agreed to the following questions and answers which will become part of the Crew Consist Agreement.

The question and answer process will continue after ratification in accord with Side Letter No. 18 of the Crew Consist Agreement, effective December 20, 1991.

61. Q. Can employees in Seniority Districts 7 and 8 who have seniority dates prior to September 9, 1988 be required to move to another district under Article II?
- A. No.
62. Q. Will the \$10,000 Signing Bonus provided for in Article IV be used in the calculation for reserve board payments under Article II,A,2?
- A. No. Although the Carrier has agreed to expedite this payment to be issued before the end of 1991, that amount will be deducted from the earnings as shown on the 1991 W-2 form, for the purpose of calculating an employee's reserve board pay under Article II,A,2 only.
63. Q. Will a train service employee who is protected by any and all protective guarantee and is forced to a reserve board collect the full guarantee, just as the merger protected employee described in Q & A 17?
- A. Yes, they will be treated the same.
64. Q. How will time spent in reserve status be counted when determining vacation eligibility?
- A. Each compensated date on the reserve board will be counted as one full qualifying day.
65. Q. Will an employee on the reserve board on December 1, 1992 be considered "in active service" for purpose of the application of Article IV,A?
- A. Yes.

66. Q. What rate of pay will switchtenders receive?
A. Switchtenders will receive the rate of pay for a yard helper established by this Agreement.
67. Q. How can an employee on the reserve board who is recalled or who voluntarily returns to active service exercise seniority?
A. An employee returning to active service either voluntarily or by recall will have full displacing rights.
68. Q. How long must an employee who exercises seniority to the reserve board remain thereon?
A. A minimum of thirty (30) calendar days, seniority permitting.
69. Q. How will reserve board compensation be computed for an employee who worked as a full-time union official for only part of 1991?
A. The same as the part-time union official as provided in Side Letter No. 3.
70. Q. On a road freight crew operating with a conductor only, where will the conductor be located?
A. The conductor will be located in the lead locomotive while the train is operating between stations. The parties recognize that there may be moves where safety and efficiency dictate that the conductor should be in the caboose, if one is used. However, the normal location of the conductor will be at the head end.
71. Q. In the application of Article II,C,1 & 2 and K, 1, 2, 3, and 4 it is understood that after the initial implementation the provisions of Paragraph C will be superseded by the provisions of Paragraph K for employees exercising seniority to the reserve board.
A. That is correct.
72. Q. Are employees receiving dismissal allowance payments under Article V,B required to continue paying union dues?
A. Yes.

73. Q. How will employees exercise their seniority to combination reserve boards?
- A. At locations where combined extra boards exist, the assignment to reserve board positions will be in accordance with existing schedule rules, recognizing prior rights seniority.
74. Q. Will all employees eligible for vacations be assigned vacations on the vacation roster in subsequent years?
- A. Yes, vacations will be assigned in accordance with schedule rules.
75. Q. How will a brakeman called off the extra board to work a single trip with a conductor be returned to the extra board?
- A. An extra board brakeman will be returned to the extra board as soon as possible, either by deadheading or working in accordance with schedule rules. In any event, the brakeman will be returned to the extra board no later than when the conductor who he or she worked with on the initial trip returns to the extra board point.

CONFERENCE BETWEEN CARRIER REPRESENTATIVES
JOHN RAAZ, BOB MADSEN, AND JAMIE ESSARY,
ORGANIZATION MEMBERS
DAVE HAACK AND DARREL HINRICHSEN
HELD ON
JANUARY 9, 1992
PURSUANT TO SIDE LETTER NO. 18
OF THE CREW CONSIST AGREEMENT
EFFECTIVE DECEMBER 20, 1991

76. Q. How long must an employee be at an extra board location prior to exercising to the reserve board?
- A. (1) An employee in active service at the extra board point (or a location protected by that extra board), prior to the posting of a notice adding reserve board positions, will be allowed to exercise to that reserve board, seniority permitting.
- (2) Employees moving from one extra board location (or a location protected by that extra board), to another extra board location must remain in active service at the new extra board location for a minimum of thirty (30) calendar days prior to attempting to exercise to the reserve board at that new location.
77. Q. What rate will a conductor/foreman receive in the event they are required to work some portion of their shift without a brakeman/helper? (Leaves assignment due to illness, injury, hours of service, etc.).
- A. The conductor/foreman will receive the conductor/foreman only rate for the entire shift.