

MEMORANDUM OF AGREEMENT BETWEEN

CSX TRANSPORTATION, INC. ("CSXT")

AND

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES ("BMWE")

This will confirm the understanding reached on October 15, 2019 between the Carrier and the Organization concerning the foregoing modifications of MOA2, MOA3, and existing BMWE Meal Per Diems and Travel Allowances.

Through this memorandum of agreement, CSX Transportation Inc. ("CSX" or the "Carrier") and the Brotherhood of Maintenance of Way Employees ("BMWE" or the "Organization") (jointly the "Parties") agree to the following:

I. Meal Per Diem

- a. Effective December 28, 2019 the Meal Per Diem referenced in the Attachment "A" signed February 29, 2012, shall be amended as follows:

SPG positions:

- Employees on 4 or 5 day work assignments: \$398.00
- Employees on 8, 9, or 10 day work assignments: \$594.00

SLWT positions:

- Employees on 4 or 5 day work assignments: \$303.64
- Employees on 8, 9, or 10 day work assignments: \$499.64

District Floating positions:

- Employees on 4 or 5 day work assignments: \$273.73
- Employees on 8, 9, or 10 day work assignments: \$469.73

- b. The foregoing meal per diem shall be paid on varying days of the calendar week in varying amounts based specifically on each employee's assigned workweek, but at no time will the daily amount exceed the federal daily limit¹, nor will the total net amount received on a weekly basis be lower than the aforementioned weekly amounts, except as indicated below.

1. This per diem shall not be paid for assigned work days an employee is absent for any reason (except holidays), and a one-seventh reduction in the weekly total will be made for employees on 4 or 5 day work assignments for each day that an employee is absent. For employees working 8, 9, or 10

¹ The "federal daily limit" refers to the meal and incidental expense (also referred to as "M&IE") per diem rate, which is set by the Internal Revenue Service, for individuals employed in the transportation industry.

day work assignments, a one-fourteenth reduction in the weekly total will be made for each day that an employee is absent.

2. If an employee is absent the entire workweek, no meal per diem will be payable for that workweek.
- c. As of January 1, 2020, and each January 1st thereafter, the weekly rates identified in Paragraph I(a) above will be adjusted by the percent in change 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.
- d. At no time will the weekly per diem rates fall below the rates established in this agreement.
- e. Effective December 28, 2019, employees will no longer receive any flat weekly travel allowances as provided in the June 1, 1999 Agreement, or any other subsequent memorandum or side letter.
- f. It is understood that all payments made in accordance with this agreement will be taxed and withheld appropriately according to the Internal Revenue Code and the Treasury Regulations promulgated in support thereof.

II. Memorandum of Agreement executed on September 1, 2009 (MOA #2)

- a. MOA #2 Section 5(C), Paragraphs 5 and 6 shall be eliminated and replaced with the following:
 5. *Beginning on the effective date of this letter of understanding, the Carrier shall maintain a minimum B&B headcount of five hundred and twenty-five (525) employees ("B&B Minimum Force").*
 6. *It is further agreed that beginning January 1, 2020, and every three months thereafter, the Carrier shall provide a B&B Minimum Force report ("B&B Minimum Force Report") to the President of the BMWE with a copy to each General Chairmen of the undersigned BMWE federations. The report shall detail the average monthly B&B headcount for the three (3) months preceding transmission of the report. Thereafter, the B&B Minimum Force will be calculated on a calendar year basis by averaging the B&B headcount numbers reported in each of the four (4) quarterly reports. The Carrier agrees to hire and train new employees at sufficient levels to ensure the minimum headcount is maintained.*

III. Memorandum of Agreement executed on January 23, 2018 (MOA #3)

- a. MOA #3 Section 1(B)(1) - Track material Handling, shall be eliminated and replaced with the following:

Sold Material - Used track material that has been sold "as is, where is" to a third party because it will no longer be used in the Carrier's railroad operations may be picked up and removed from the Carrier's property by the third party purchaser or its designee. Further, it is understood that the Carrier is not required to provide any notice to the BMW, either before or after the material is sold or picked up.

- b. MOA #3 Section 2, Paragraph B(3) - Undercutting, shall be eliminated and replaced with the following:

Effective with the calendar Year 2019 and continuing thereafter, the Carrier may contract for undercutting machine work with no more than three (3) contractor operators per machine. At no time shall there be more than a total of 540 cumulative days' work on the CSXT system in each calendar year.*

Any undercutting work that occurred prior to 2019 will be handled in accordance with the original provisions of MOA3 effective January 23, 2012.

**Note: This section identifies that regardless of the number of contractor operated machines used during any given calendar year, there will be no more than a total of 540 days of work performed (e.g. one (1) machine working 540 days equals 540 days; two (2) machines working 270 days each equals 540 days, etc. Further, it is understood that the number of days worked is calculated based on the number of days that the machine(s) is actually in service. Days spent being transported from one location to another, or otherwise not in use will not be included in the calculation.*

IV. Cancellation

- a. In the event the President of the BMWED cancels CSX Transportation Labor Agreement No. 12-006-09 ("MOA #2"), this MOA will be automatically canceled. Upon cancellation the meal per diem referenced in the Attachment "A" signed February 29, 2012, and all other travel-related allowances referenced in the June 1, 1999 Agreement (as amended) will be in effect, and the aforementioned (MOA #3) modifications will be eliminated as if this MOA had never existed.

- b. In addition, either party may cancel this MOA through serving written notice. In the event written notice is served by either party, the General Chairmen and the Carrier shall meet within thirty (30) days of receipt of the notice to attempt to resolve the issues associated with the request to cancel this agreement. Absent a mutually agreeable resolution, this agreement will terminate sixty (60) days from the cancellation notice. Upon cancellation the meal per diem referenced in the Attachment "A" signed February 29, 2012, and all other travel related allowances referenced in the June 1, 1999 Agreement (as amended) will be in effect, and the aforementioned (MOA #3) modifications will be eliminated as if this MOA had never existed.
- c. It is understood that upon the effective termination date of this Agreement, all subsequent meal per diems and travel allowances will be taxed and withheld appropriately and as required by the Internal Revenue Code and Treasury Regulations.

Signed this 15th day of October, 2019.

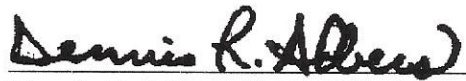
For CSX Transportation, Inc.:



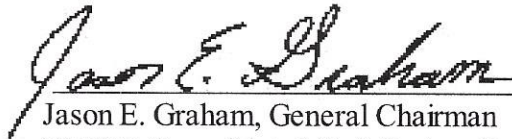
Michael S. Skipper
Senior Director Labor Relations

For Brotherhood of Maintenance of Way:

Accepted:



Dennis R. Albers, General Chairman
BMWWE Allied Federation



Jason E. Graham, General Chairman
BMWWE Consolidated Rail System Federation

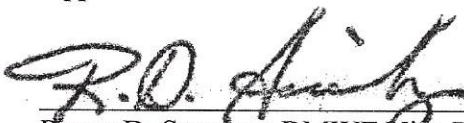


Anthony C. Sessa, General Chairman
BMWWE Pennsylvania Federation



Jack E. David, General Chairman
BMWWE Affiliated Federation

Approved:



Roger D. Sanchez, BMWWE Vice President